

MINUTES

July 24, 2017



**TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE
DIVISION OF REGULATORY BOARDS
MOTOR VEHICLE COMMISSION
500 JAMES ROBERTSON PARKWAY, 2ND FLOOR
NASHVILLE, TENNESSEE 37243-1153
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**TENNESSEE
MOTOR VEHICLE COMMISSION
MINUTES**

DATE: July 24, 2017

PLACE: Davy Crockett Tower – Conference Room 1-A
500 James Robertson Parkway
Nashville, Tennessee

PRESENT: Commission Members:
Eddie Roberts
Cristopher Lee
Jim Galvin
Joe Clayton
John Murrey
Ronnie Fox
Karl Kramer
Nate Jackson
Debbie Melton
Stan Norton
Don Parr
Steve Tomaso
Farrar Vaughan
Kahren White
Victor Evans

ABSENT: Ian Leavy

CALL TO ORDER: Chairman Eddie Roberts called the meeting to order at 9:05 am

Paula J. Shaw, Executive Director, called the roll. A quorum was established.

MEETING NOTICE: Notice advising the Commission of the time, date and location of the meeting being posted on the Tennessee Motor Vehicle Commission website and that it has been included as part of the year's meeting calendar since July 13, 2016, was read into the record by Executive Director, Paula J. Shaw. The notice also advised that the Agenda has been posted on the Tennessee Motor Vehicle Commission website since July 20, 2017.

AGENDA: Chairman Roberts requested the Commission look over the agenda. Commissioner Jackson made a motion to adopt the Agenda, Seconded by Commissioner Vaughan. Chairman Roberts called for a voice vote.

MOTION CARRIED.

QUARTERLY MEETING MINUTES: Commissioner Clayton made a motion to approve the minutes from the April 24, 2017 meeting, seconded by Commissioner Lee. Chairman Roberts called for a voice vote.

MOTION CARRIED.

The Commission recognized Commissioner Stan McNabb and thanked him for his years of service to the Commission and the citizens of the State of Tennessee. The Commission presented Commissioner McNabb with a service award to commemorate his years of service.

APPEALS: The following appeals were heard by the Commission. Chairman Roberts conveyed to the attendees the appeals process.

Harry Yellen
Ole Ben Franklin Motors, Knoxville, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Vaughan moved the license be granted, seconded by Commissioner Clayton.

ROLL CALL VOTE

Eddie Roberts	YES
Christopher Lee	YES
Jim Galvin	NO
Joe Clayton	YES
Ronnie Fox	YES
Karl Kramer	YES
Nate Jackson	YES
Debbie Melton	YES
John Murrey	YES
Stan Norton	NO

Don Parr **YES**
Farrar Vaughan **YES**
Steve Tomaso **YES**
Kahren White **NO**
Victor Evans **YES**

Motion carried, therefore the license is granted.

Randall Powers
Athens Auto Sales, LLC, Athens, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Fox moved the license be granted, seconded by Commissioner Melton.

ROLL CALL VOTE

Eddie Roberts **YES**
Christopher Lee **YES**
Jim Galvin **YES**
Joe Clayton **YES**
Ronnie Fox **YES**
Karl Kramer **YES**
Nate Jackson **YES**
Debbie Melton **YES**
John Murrey **YES**
Stan Norton **YES**
Don Parr **YES**
Farrar Vaughan **YES**
Steve Tomaso **YES**
Kahren White **YES**
Victor Evans **YES**

Motion carried, therefore the license is granted.

Tatiana Wilkins
Wolfchase Chrysler Dodge Jeep, Bartlett, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Vaughan moved the license be granted, seconded by Commissioner Lee.

ROLL CALL VOTE

Eddie Roberts	YES
Christopher Lee	YES
Jim Galvin	YES
Joe Clayton	YES
Ronnie Fox	YES
Karl Kramer	YES
Nate Jackson	YES
Debbie Melton	YES
John Murrey	YES
Stan Norton	YES
Don Parr	YES
Farrar Vaughan	YES
Steve Tomaso	YES
Kahren White	YES
Victor Evans	YES

Motion passed, therefore the license is granted.

Brian Russell
Secret City Chrysler Dodge Jeep Ram, Oak Ridge, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Fox moved the application be approved, seconded by Commissioner Vaughan.

ROLL CALL VOTE

Eddie Roberts	YES
Christopher Lee	NO
Jim Galvin	NO
Joe Clayton	YES
Ronnie Fox	YES
Karl Kramer	YES
Nate Jackson	YES
Debbie Melton	YES
John Murrey	YES
Stan Norton	NO
Don Parr	YES
Farrar Vaughan	YES
Steve Tomaso	YES
Kahren White	YES
Victor Evans	YES

Motion carried, therefore the license is granted.

Ardiss Armstrong – NO SHOW
1 Choice Auto, LLC

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Jackson moved the denial be upheld, seconded by Commissioner Vaughan.

ROLL CALL VOTE

Eddie Roberts	YES
Christopher Lee	YES
Jim Galvin	YES
Joe Clayton	YES
Ronnie Fox	YES
Karl Kramer	YES
Nate Jackson	YES
Debbie Melton	YES
John Murrey	YES
Stan Norton	YES
Don Parr	YES
Farrar Vaughan	YES
Steve Tomaso	YES
Kahren White	YES
Victor Evans	YES

Motion passed, therefore the denial is upheld.

Jadon Scroggin-Thompson
Rearview Motors, LLC, Murfreesboro, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Jackson moved the application be approved, seconded by Commissioner Vaughan.

ROLL CALL VOTE

Eddie Roberts	YES
Christopher Lee	YES
Jim Galvin	YES
Joe Clayton	YES

Ronnie Fox	YES
Karl Kramer	YES
Nate Jackson	YES
Debbie Melton	YES
John Murrey	YES
Stan Norton	YES
Don Parr	YES
Farrar Vaughan	YES
Steve Tomaso	YES
Kahren White	YES
Victor Evans	YES

Motion carried, therefore the license is granted.

Patrick McDaniel
Prestige Cars, Inc., Chattanooga, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Lee moved the application be approved, seconded by Commissioner Melton.

ROLL CALL VOTE

Eddie Roberts	YES
Christopher Lee	YES
Jim Galvin	YES
Joe Clayton	YES
Ronnie Fox	YES
Karl Kramer	YES
Nate Jackson	YES
Debbie Melton	YES
John Murrey	YES
Stan Norton	YES
Don Parr	YES
Farrar Vaughan	YES
Steve Tomaso	YES
Kahren White	YES
Victor Evans	YES

Motion carried, therefore the license is granted.

Mitchell Horn
Florence and White Ford, Smithville, TN

Chairman Roberts requested appeals of salespersons applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Jackson moved the application be approved, seconded by Commissioner Vaughan.

ROLL CALL VOTE

Eddie Roberts	NO
Christopher Lee	NO
Jim Galvin	NO
Joe Clayton	YES
Ronnie Fox	YES
Karl Kramer	YES
Nate Jackson	YES
Debbie Melton	YES
John Murrey	NO
Stan Norton	NO
Don Parr	NO
Farrar Vaughan	YES
Steve Tomaso	YES
Kahren White	NO
Victor Evans	NO

Motion failed, therefore the license is denied.

HOUSE of KARS – Owner – John O’Rourke
Columbia, TN

Chairman Roberts requested appeals of dealer applications which were previously denied by the staff to be heard by the Commission for their review and consideration. After some discussion, Commissioner Vaughan moved the denial be upheld, seconded by Commissioner Jackson.

ROLL CALL VOTE

Eddie Roberts	ABSTAIN
Christopher Lee	YES
Jim Galvin	YES
Joe Clayton	YES
Ronnie Fox	YES

Karl Kramer	YES
Nate Jackson	YES
Debbie Melton	YES
John Murrey	YES
Stan Norton	YES
Don Parr	YES
Farrar Vaughan	YES
Steve Tomaso	YES
Kahren White	YES
Victor Evans	YES

Motion carried, therefore the denial was upheld.

DIRECTOR’S REPORT – Paula J. Shaw, Executive Director

Executive Director Shaw provided the Commission with the following information which is for informational purposes only:

Since the last Commission meeting in April 2017 the following activity has occurred:

Dealers Opened, or Relocated (Last Quarter).....100

Active Licensees as of July 11, 2017

Dealers.....3757
Applications in Process.....25
Distributors/Manufacturers.....110
Auctions.....25
Representatives.....457
Salespeople.....16438
Dismantlers.....266
RV Dealers.....38
RV Manufacturers.....51

Motor Vehicle Show Permits:

Issued Since April 2017.....4
Associated Revenue.....\$800

Complaint Report- Opened Complaints from April 17, 2017 – July 11, 2017:

Number of Complaints Opened.....157
Number of Complaints Closed.....161

Annual Sales Reports-(Due Feb 15):

Vehicles Reported Sold in 2016.....1,136,022
Recreational Vehicles Reported Sold in 2016.....3,359
(Excluding Dealers Reporting Late)
OnlineLate Annual Sales Report Collected.....\$73,500

Performance Metrics Taken from June 2017 CFG Report

Average Number of Days to License.....7.23 Days
Productivity Factor.....104.15%
CFG Goal.....141%
Compliance.....98.3% **as of June 30,**

2017

(Metric 91% action taken within 180 days. Beginning July 1, 2017, Motor Vehicle Commission Complaints were transferred to the Centralized Complaints Unit)

- June of the odd years is peak renewal period for Manufacturers, Representatives, and Auto Auctions. Renewals for these professions are due by June 30, Fiscal Year End Close. During this cycle, these license types were brought online which required data conversion and record update, simultaneously.

MVC Customer Satisfaction Rating April 2017 – June 2017

Quarterly Satisfaction Rating.....100%

Revenue Fees (NMVTIS) Submitted to Revenue Since Passage July 1, 2015

Total Collected Since Passage.....\$62,500

(Statute governing the NMVTIS fee was terminated as of June 30, 2017)

Disciplinary Action Report – April 2017 – June 2017

Total Collected.....\$72,300

Number of Users for All Online Transactions

Number of Users.....4228 (Includes all ASR, LASR, Renewals and Initial Applications)

- 3.5% online adoption for New “1010” Applications across all Professions
- Dealer Renewals.....510
- Salesperson Renewals.....1148
- 100% of Auctions have renewed online

Chairman Roberts called for a motion to approve the Director’s Report. Commissioner Jackson made a motion to approve the Director’s Report, and was seconded by Commissioner Vaughan.

VOICE VOTE – UNANIMOUS

The motion carried to approve the Director’s Report.

The Commission moved to the presentation of the legal report by Sara Page, Asst. General Counsel and Shilina Brown, Asst. General Counsel.

SARA

1. 2017008261

First Licensed: Unlicensed
Expiration: N/A
License Type: N/A
History (5 yrs.): N/A

2017008262

First Licensed: Unlicensed
Expiration: N/A
License Type: N/A
History (5 yrs.): N/A

Complainant is a county clerk. Complainant stated Respondent 1 has registered a number of cars on behalf of Respondent 2, which is an out of state dealership. Respondent 1 was previously a licensed dealer in Tennessee. After the county clerk explained to Respondent 1 he could not sell for an out of state dealer, he started bringing in bills of sales from a licensed dealership in Tennessee. The county clerk contacted that dealership because the clerk was suspicious the bills of sale were forged. The licensed dealership stated they did not sell the vehicles. The bill of sale allegedly from the licensed dealership looks nothing like that dealership's usual bill of sale. Rather, it looked like Respondent 2's bill of sale with a modified header. However, when the investigator met with the licensed dealership subject to the possible fraudulent sales, the licensed dealer stated they did in fact conduct those transactions after purchasing the vehicles from Respondents.

After the complaint was open and an investigation was initiated, the out of state owner of Respondent 2 dealership submitted a response stating Respondent 1 was his employee, and Respondent 2 does business online throughout the country. The owner described Respondent 1 as his "feet on the ground to ensure transactions in Tennessee run smoothly...".

Recommendation: As to Respondent 1, close upon issuance of a letter of warning. As to Respondent 2, authorize a civil penalty in the amount of \$10,000, to be reduced to \$5,000 if owner submits proof of business model change and proactive efforts to end sales in Tennessee, to be settled by consent order or a formal hearing.

Commission Decision: Approved

2. 2017010711

First Licensed: 09/01/1991
Expiration: 07/31/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant sold a vehicle as an individual to another individual ("purchaser"). The parties executed a contract in which the purchaser agreed to make installed payments on the vehicle. The vehicle was title into purchaser's name with a security interest recorded for Complainant. Before paying off Complainant, purchaser traded the vehicle in to Respondent. Respondent contacted Complainant about the lien. Respondent contends they

agreed to pay \$700 of what was owed, and purchaser would pay \$400. Purchaser never paid the money, and Complainant wanted Respondent to pay off the full amount.

After the complaint was filed, Respondent, despite objections due to the subsequent agreement, opted to pay off the full lien and Complainant states she is satisfied with that resolution.

Recommendation: Close.

Commission Decision: Approved

3. 2017010061

First Licensed: 06/16/2010

Expiration: 06/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant purchased a used vehicle with a limited warranty, and purchased an additional service warranty. Respondent also has a return policy if requested in the first five business days of purchase. According to the Complainant, the vehicle quickly started to display mechanical issues. Respondent advised Complainant to bring the vehicle to a warranty shop. The vehicle has been looked at numerous times, and some repairs have been made. Complainant alleges issues continue. Mechanics represent they cannot recreate the issue.

Respondent states that the Complainant tried to return the vehicle on day six, and therefore was outside the return window. Respondent has offered to transfer Complainant into a new vehicle, and continues to work with mechanics to look at the vehicle.

It appears Respondent is trying to work with Complainant, and that the warranty is being honored.

Recommendation: Close.

Commission Decision: Approved

4. 2017010531

First Licensed: 06/06/2013

Expiration: 05/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent tampered with the odometer of a 2005 vehicle her daughter recently purchased. A mechanic realized a number on the odometer was “blacked out” so that instead of 200,000 miles, the odometer read 100,000.

An investigation was conducted. Vehicle histories show that the vehicle was in the possession of Respondent when it read 200,000 and back in their possession when it read 100,000. However, in reviewing the deal files, Respondent executed odometer disclosure sheets after the odometer changed to explain the mileage was not actual. They did this despite the vehicle being exempt due to age. Respondent states the vehicle was traded back

into them prior to the resale to Complainant and they did not know why the mileage was off, so chose to execute disclosure agreements to reflect the change.

Complainant also filed a complaint with the Tennessee Department of Safety and Homeland Security.

Recommendation: Close.

Commission Decision: Approved

5. 2017012901
First Licensed: 05/26/2011
Expiration: 05/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent failed to return sales tax on add-on services he cancelled. A review of the documents and responses shows that Complainant was refunded for the services and the sales tax with the exception of about \$98 in sales tax for a paint sealant add-on. Respondent has offered to refund that amount despite stating that add-on is typically not cancellable. Respondent stated it refunded the cost (minus sales tax) to appease Respondent prior to the complaint, but to resolve the issue, it would refund the sales tax as well. Overall, this is a contractual dispute and no violations of the Commission's laws or rules have occurred.

Recommendation: Close.

Commission Decision: Approved

6. 2017014951
First Licensed: 04/11/2013
Expiration: 09/30/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainants are a father and son. Complainants filed this complaint because the son financed a motorcycle through Respondent. The next day, Complainants attempted to return the motorcycle claiming the son did not have a valid driver's license or insurance. Respondent refused. Complainants claim Respondents requested additional money in order to cancel the deal.

Respondent responded and stated they do not accept returns. Respondent stated the son provided it with a valid driver's license during the purchase, and son agreed to obtain full-coverage insurance as part of the financing.

This appears to be a contractual dispute with no evidence of a violation of the Commission's laws and rules.

Recommendation: Close.

Commission Decision: Approved

7. 2017013041

First Licensed: 03/26/1998

Expiration: 03/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): March 2015 - \$1,000 Agreed Citation for failure to properly maintain a temporary tag log.

Complainant purchased a vehicle from Respondent, but Respondent failed to disclose the vehicle was rebuilt. Complainant was provided the title at the time of purchase, but Complainant did not notice the title indicated the vehicle was rebuilt.

Respondent is out of business, and the bond information was sent to Complainant. The mail was returned, but staff emailed the information as well.

Recommendation: Close.

Commission Decision: Approved

8. 2017017331

First Licensed: 04/25/2017

Expiration: 02/28/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleges Respondent was selling unlicensed, using open titles. Respondent is a dealer that is now licensed. At the time of the Complaint, staff was working with Respondent on his application, and the dealership location was actively visited by investigators. While inventory was onsite, no sales activity was observed.

Respondent has been the subject of a number of complaints during its application period from community competitors familiar with Respondent's past history in the business. Respondent has actively resolved prior issues with the Board and criminal history and was granted a license.

Recommendation: Close.

Commission Decision: Approved

9. 2017014041

First Licensed: 09/18/2002

Expiration: 09/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

A Complainant alleged Respondent sold her a vehicle that was mechanically deficient, and that vehicles were not properly labeled "As-Is." Respondent responded and denied the allegations, and provided paperwork that indicated Complainant bought the used vehicle as-is. An inspection had been conducted at Respondent's dealership a few weeks prior to the complaint, and all vehicles had buyer's guides on display.

Recommendation: Close.

Commission Decision: Approved

10. 2017013711

First Licensed: 02/17/2016

Expiration: 02/28/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): Respondent has 3 other complaints filed in 2017, but at this time, there has been no disciplinary action.

Complainant is unable to get a title for a vehicle purchased from Respondent. Respondent has three other similar complaints that are open. Respondent signed a Consent Order for voluntary revocation recently for the prior complaints.

Recommendation: Close based on Respondent's recent acceptance of voluntary revocation.

Commission Decision: Approved

11. 2017017851

First Licensed: Unlicensed

Expiration: N/A

License Type: N/A

History (5 yrs.): N/A

This complaint came from a dealer ("Complainant"). Complainant states Respondent is unlicensed and has been selling vehicles out of a repair shop as well as displaying vehicles at other locations in the area. Respondent is in fact not licensed. An investigation was conducted. Respondent admitted to advertising seven vehicles for sale, with five being listed on Craigslist. Respondent claimed two vehicles were being sold on consignment. The investigator located three of the Craigslist ads.

Additionally, counsel conducted research on Craigslist after the investigation was concluded. Counsel discovered three additional vehicles listed for sale by Respondent, as well as a fourth vehicle listed for sale for parts.

Recommendation: Authorize a civil penalty in the amount of \$5,000 for unlicensed activity (TCA § 55-17-109) to be settled by consent order or a formal hearing.

Commission Decision: Approved

12. 2017015931
First Licensed: 06/19/2015
Expiration: 06/30/2017
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent sold her a vehicle that had been in an accident and experienced mechanical failures as a result. Specifically, Complainant discovered over a year after the purchase that the bumper had been repainted. This was discovered when Complainant took the vehicle to have a sensor replaced.

Respondent responded and provided the deal file. The vehicle was purchased as-is and a clean Carfax was provided to Complainant at the time of the deal. Respondent denies any knowledge of prior accidents in which the vehicle may have been involved. When Complainant complained about the issues to Respondent, the Complainant had the vehicle for seventeen months, and driven approximately 14,000 miles.

Recommendation: Close.

Commission Decision: Approved

13. 2017008891
First Licensed: Unlicensed
Expiration: N/A
License Type: N/A
History (5 yrs.): N/A

Complainant alleged Respondent was selling vehicles without a license. An investigation was conducted. Respondent is in the process of becoming licensed, which is why signs are installed on the property. Respondent is working to get the bond. The investigator did not identify any evidence of sales occurring on the property.

Recommendation: Close.

Commission Decision: Approved

14. 2017015951
First Licensed: 05/25/2011
Expiration: 06/30/2017
License Type: Motor Vehicle Dealer
History (5 yrs.): October 2013 – Letter of warning issued for advertising violations.

Complainant alleged Respondent did not give him warranty paperwork for a certified pre-owned vehicle he purchased. Respondent states Complainant first looked at the vehicle at the end of 2016. At that time, the vehicle was certified. Complainant opted to not buy the car then. Complainant returned in January 2017 to purchase the vehicle. Respondent explained that due to the rollover to 2017, the vehicle is no longer certified.

Respondent lowered the cost of the vehicle to offset the lack of certification, and Complainant bought the vehicle.

A week after purchase, Complainant stated the car had a mechanical issue, and he wanted to use the warranty that came with the certified pre-owned vehicle. Respondent explained that the vehicle was not certified, but paid for the repair as a goodwill gesture. Afterwards, Complainant continued to ask for the warranty information. Respondent continually explains that the vehicle is not certified, and therefore does not have a warranty. Respondent offered to trade in the vehicle or buy it back, but Complainant did not choose to do that. Respondent states that the original salesperson from December of 2016 is no longer employed at the dealership; therefore, they do not know what was said by the salesperson to the Complainant, so Respondent is trying to work with the Complainant despite the disclosures over the lack of certification. Respondent has sought and purchased a warranty at a cost of \$800 to the dealership to appease Complainant.

Recommendation: Close.

Commission Decision: Approved

15. 2017009661

First Licensed: 09/19/2013

Expiration: 08/31/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

An anonymous complaint was filed that accused Respondent of renting his location and allowing the renters to use his dealership license. An investigation was conducted. Respondent's property was empty and closed. While photographing the property, the property owner came by to ask the inspector what he was doing. The property owner explained that the dealership had closed almost a year prior, and the property was up for lease. A neighbor in a nearby apartment told the inspector the lot was empty and only the owner came by from time to time to check the mail.

No signs, inventory, or any other evidence of unlicensed activity was located.

Recommendation: Close.

Commission Decision: Approved

16. 2017015411

First Licensed: 10/20/2015

Expiration: 10/31/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant claimed Respondent sold her a mechanically deficient vehicle. Respondent responded that the vehicle was sold as-is and that Complainant test drove the vehicle prior to purchase. The deal file reflects that the sale was as-is.

Due to a prior complaint in which Respondent failed to properly disclose a salvaged vehicle, the vehicle history was obtained for Complainant's vehicle. Nothing in the vehicle history indicates the vehicle is salvaged or rebuilt.

Recommendation: Close.

Commission Decision: Approved

17. 2017018661

First Licensed: 01/08/2013

Expiration: 11/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

This complaint was opened as a result of a Notice of Violation. Respondent is selling vehicles from a second location that is not licensed. Additionally, during the inspection, the inspector found two bills of sale executed by an unlicensed salesperson. Inspector states he explained the licensing laws to Respondent at his last inspection. Respondent claimed the unlicensed salesperson had a license application pending, but no such application is on file.

Recommendation: Close.

Commission Decision: Approved

18. 2017017891

First Licensed: 12/04/2000

Expiration: 11/30/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): May 2013 – \$500 Consent Order for failure to properly maintain a temporary tag log. May 2017 - \$5,400 Consent Order for 54 unlicensed sales.

Complainant alleges Respondent sold her a vehicle with mechanical defects. Respondent offered a three-day warranty for transmissions with the purchase. The vehicle ended up having a transmission problem. Respondent fixed the vehicle, but it took longer than the Complainant expected. Additionally, Complainant complained that Respondent has armed guards. This complaint has been forwarded to the Private Protective Services Program for further investigation into that allegation.

Recommendation: Close.

Commission Decision: Approved

19. 2017020111

First Licensed: 05/11/2012

Expiration: 04/30/2016 (Expired License)
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant states she has been unable to get the title to a vehicle she purchased from Respondent. While waiting for the title, Respondent dealership closed. The dealership's license has expired and it is out of business. Complainant was provided with Respondent's bond information.

Recommendation: Close and flag.

Commission Decision: Approved

20. 2017020181
First Licensed: 08/11/1998
Expiration: 08/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent misled her regarding the navigation system in a vehicle she purchased. Complainant stated she believed the vehicle had navigation, but when she pressed the button after leaving the Respondent dealership, it did not work. Complainant called Respondent who informed her that the software needed to be installed, but that the vehicle was navigation-ready. Respondent states Complainant never asked about the navigation feature, and the feature was properly described in the purchasing materials. Respondent started researching the cost for a dealer to do the install, but Complainant went to another dealership and paid retail for the software, then demanded Respondent repay the amount.

Ultimately, while Respondent was frustrated that Complainant did not bring the car to them so the software could be installed at a lower price, Respondent reimbursed Complainant for half of the retail cost she paid. Respondent represents that the matter was resolved.

Recommendation: Close.

Commission Decision: Approved

21. 2017019131
First Licensed: 12/21/1999
Expiration: 08/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent sold her a vehicle that ended up experiencing engine issues due to a lack of oil. Following the issue, Respondent unwound the deal in full, reimbursed Complainant for costs related to the deal as well as the inspection Complainant had conducted, and placed Complainant in a new vehicle.

Recommendation: Close.

Commission Decision: Approved (Chairman Roberts – Recused)

22. 2017017751

First Licensed: 09/23/2014

Expiration: 09/30/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant arrived at Respondent dealership and asked about vehicles, and what fees the dealership charges. A salesperson told Complainant about the dealership's documentation fee. Complainant asked what the document fee went to, and the salesperson said he thought it was for homeland security paperwork. Complainant searched the internet and saw articles stating such a claim was a scam, and Complainant became upset. A sales manager came over, and explained the salesperson was newly employed, and that he was incorrect. The sales manager took over the sale from that point.

Later, when discussing a vehicle purchase, Complainant stated she would be using a credit union to purchase the car. The sales manager explained Complainant would need to fill out a brief document for a OFAC compliance check. Complainant ultimately concluded that was a lie and left upset without purchasing the vehicle. Complainant filed the complaint as a result.

Recommendation: Close.

Commission Decision: Approved

23. 2017017831

First Licensed: 11/12/2008

Expiration: 10/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): September 2016 - \$1,000 agreed citation paid for issuing more temporary tags than allowed by law.

Complainant alleges Respondent sold her a vehicle with faulty brakes, and Respondent is charging her for their replacement. When the vehicle was purchased 6mm remained on the front pads. Respondent states that their policy is not to recommend replacement unless the pads are 5mm or less. Two months and 2,500 miles after the purchase, Complainant returned to Respondent after the brake light came on. The front pads were at 3mm at that time.

Respondent states it does not believe it acted inappropriately or sold a vehicle with brake issues; however, Respondent has offered to replace the pads and resurface the Complainant's rotors in order to resolve this dispute.

Recommendation: Close.

Commission Decision: Approved

24. 2017020971

First Licensed: 07/07/1999

Expiration: 08/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): April 2013 - \$7,500 agreed order for issuing more temporary tags than allowed by law and failing to properly maintain a temporary tag log; February 2016 - \$500 consent order for failure to record a temporary tag; April 2017 - \$10,000 final order for issuing more temporary tags than allowed by law and for false, fraudulent or deceptive acts.

Complainant purchased an as-is vehicle from Respondent. Complainant states that Respondent would only issue her one temporary tag. Complainant had one tag that expired March 28, 2017. On March 27, 2017, Complainant took the vehicle through emissions, but it failed, so Complainant requested a second tag. Respondent believed it could only issue one temporary tag, so it did not provide one. Respondent told Complainant to get a tag from the county clerk. The clerk informed Complainant that Respondent could issue a second tag. The clerk ultimately called Respondent after Respondent wanted something in writing, but Respondent still refused to issue the tag. The Complainant filed the complaint, and Respondent issued Complainant another temporary tag.

Recommendation: Close upon issuance of a letter of instruction regarding temporary tag issuance.

Commission Decision: Approved

25. 2017021431

First Licensed: 05/26/2011

Expiration: 05/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant states Respondent sold him a vehicle for more than the advertised price. Complainant acknowledges that he did not ask about the price, and did not read the price in the contract. He only realized the discrepancy later. Upon receiving the Complaint, Respondent unwound the deal based on the advertisement Complainant provided, and Respondent sold the vehicle at that price point.

Recommendation: Close upon issuance of a letter of warning regarding selling vehicles at the advertised price.

Commission Decision: Approved

26. 2017021701

First Licensed: 12/15/1999

Expiration: 01/31/2018

License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleges a vehicle she purchased from Respondent is suffering from numerous mechanical issues. Respondent responded and stated it had done work on the vehicle as a good will gesture, but that the vehicle was purchased as-is and all warranty offers were refused by the Complainant.

Recommendation: Close.

Commission Decision: Approved

27. 2017027501

First Licensed: 08/10/2012

Expiration: 07/31/2018 (Closed 02/10/2017)

License Type: Motor Vehicle Dealer

History (5 yrs.): 3 previous complaints that were closed and flagged in April 2017 because dealer was out of business.

Complainant has not been able to get the title for an RV from Respondent. Respondent was recently confirmed closed. Complainant was provided with the bond information for Respondent.

Recommendation: Close and flag.

Commission Decision: Approved

28. 2017027621

First Licensed: 07/15/2002

Expiration: 06/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant claims Respondent threatened to repossess his vehicle after Complainant complained about the condition, and mentioned his lawyer would take action. Respondent states that Complainant implied he had already started legal action against him, so Respondent stopped his mechanic from looking at the vehicle and asked Complainant to leave.

Legal is unable to prove if Respondent threatened Complainant. The vehicle was sold as-is, and the repossession never occurred.

Recommendation: Close.

Commission Decision: Approved

29. 2017031521

First Licensed: 04/08/2014

Expiration: 03/31/2016 (Closed 02/25/2016)

License Type: Motor Vehicle Dealer

History (5 yrs.): 9 previous complaints closed and flagged in April 2016 because dealer was out of business.

Complainant stated she purchased a vehicle for her daughter over a year ago, but she never received the title or registration from the Respondent. Respondent filed bankruptcy and closed late last year. Complainant was provided with the bond information for the dealership.

Recommendation: Close and flag.

Commission Decision: Approved

30. 2017020241

First Licensed: 08/27/2010

Expiration: 11/30/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged the vehicle he purchased from Respondent experienced a number of mechanical issues. The vehicle was sold with a limited powertrain warranty. Complainant states that when one repair was completed, something else would go wrong. Complainant wanted to unwind the deal.

Respondent responded and stated it chose to unwind the deal due to Complainant's request. It seems repairs were being made, but per Complainant, they would take too long to get a local mechanic to do the work, or more issues would arise.

Recommendation: Close.

Commission Decision: Approved

31. 2017023511

2017023561

2017023581

2017023601

2017023641

2017023861

2017023891

2017022501

2017025731

2017040971

2017034901

First Licensed: 04/10/2001 (Expired – Grace)

Expiration: 04/30/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): November 2013 - \$1,000 consent order for issuing more temporary tags than allowed by law; March 2017 - \$1,000 consent order for failure to pay-off trade-in.

Complainants are all consumers of Respondent dealership. Respondent dealership is allegedly closed, and has failed to retrieve titles for all of the consumers. Respondent has been directing consumers to the bond, its attorney, and the State to resolve the issue. Respondent claims to be filing bankruptcy due to outstanding debts.

Recommendation: Authorize the revocation of Respondent's dealer license, to be settled by consent order or a formal hearing.

Commission Decision: Approved

**32. 2017031171
First Licensed: 02/26/2016
Expiration: 02/28/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A**

Complainants allege Respondent sold them a vehicle that had an accident history, and it was repossessed because they could not get full coverage insurance on the vehicle. Complainant alleged also they believed the vehicle was four-wheel drive, but it turned out not to be. Additionally, Complainants stated they did not know the vehicle was rebuilt.

Respondent responded stating the vehicle was sold as-is. Respondent stated Complainant drove the vehicle for a few months, then stopped paying and would not answer phone calls. When the repossession was conducted, the vehicle was located at a franchise dealership's repair shop. That repair shop stated the Complainants also would not answer phone calls and that the repair shop was owed money. Respondent paid the repair shop and took possession of the vehicle.

Respondent provided a copy of the deal file. It does show as-is status, but Respondent did not execute a proper rebuilt disclosure notice.

Recommendation: Authorize a \$500 civil penalty for failing to execute a proper rebuilt disclosure form, to be settled by consent order or a formal hearing.

Commission Decision: Approved

**33. 2017033131
First Licensed: 08/30/2012 (Expired)
Expiration: 08/31/2016
Type of License: Motor Vehicle Dismantler/Recycler
History (5 yrs.): N/A**

This complaint was opened as a result of a Notice of Violation. Respondent was found to be selling auto parts through a dismantler business while their license was expired. Respondent also lacked a tax identification number, business licenses and proof of

insurance. Respondent executed a consent order for a \$500 civil penalty for unlicensed activity in 2012.

Recommendation: Authorize a \$5,000 civil penalty for unlicensed activity, to be settled by consent order or a formal hearing.

Commission Decision: Approved

34. 2017030171

First Licensed: 08/14/2015

Expiration: 08/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): January 2017 – LOW for incomplete temporary tag log.

Complainant states that Respondent, a classic car dealer, would not allow a test drive prior to purchase due to the vehicles being on consignment from private owners. The paperwork makes this clear. Only after purchase could a purchaser test drive the vehicle. Respondent explained the consignment and the test drive policy in an email to Complainant prior to purchase. Respondent stated that Complainant could take a short drive after purchase, and if there was an issue, he would rescind the deal. Complainant asked about the condition of the vehicle, and Respondent stated it “drives great.” Complainant agreed and purchased the vehicle as-is. When Complainant arrived at the dealership, Respondent informed him they replaced the battery since it was “weak,” but everything else was fine. Complainant drove the vehicle to a gas station on a short test drive. Complainant stated the speedometer, gas gauge, and temperature gauge all didn’t seem to be working properly. They then drove the vehicle to an oil change shop at Respondent’s recommendation. It was discovered the oil pan was cracked and there was some leaking. When driving away, the vehicle died, and would stop and start intermittently. Complainant called Respondent to let him know the issues, and asked to return the vehicle. Respondent allegedly stated it would not take a return, but Complainant could title it in his name, and Respondent could consign it for him.

Respondent responded to the complaint and maintains that the contract signed by Complainant explains the purchase is as-is, and that any representations on the condition of the car are not binding, especially in light of the fact the vehicles are consigned.

Despite the as-is sale, it is legal counsel’s opinion that the email from the sales manager of Respondent dealership stating to the Complainant, “Yes sir, it is just as you have purchased the car because you have, except if something is wrong with the car and it is not as we represented then we tear up the paperwork and void the sale” constitutes a false act, since the Complainant did have issues immediately upon driving the vehicle, but Respondent refused to rescind the deal.

Recommendation: Authorize a civil penalty for \$500 for false, fraudulent, or deceptive acts related to the email stating to the consumer Respondent would rescind the deal if something was wrong with the car, to be settled by consent order or a formal hearing.

Commission Decision: Approved

35. 2017025921
First Licensed: Unlicensed
Expiration: Unlicensed
Type of License: N/A
History (5 yrs.): N/A

This complaint was opened as a result of an Agreed Citation for unlicensed activity. A state inspector discovered four vehicles displayed for sale in a parking lot with North Carolina dealer tags on the vehicles. The state inspector contacted the number, and the Respondent informed him the vehicles were from his licensed North Carolina dealership. Respondent does not hold a Tennessee license.

Recommendation: Authorize a civil penalty for \$2,000 for four unlicensed attempted sales, to be settled by consent order or a formal hearing.

Commission Decision: Approved

36. 2017034741
First Licensed: 06/25/2015 (Expired – Grace)
Expiration: 05/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

This complaint was opened as a result of a Notice of Violation. Respondent was written out of business in April due to the dealership never being open when inspectors and investigators came by, no one answering the listed phone number, and no cars on display. Respondent contact the Commission staff in May and requested his license be re-opened, so it was. An inspector was sent for an inspection. The inspector arrived to the lot being locked, no cars on display, and no salespersons present. The inspector knew the owner's son owns the adjacent business, and that he had keys. The son claims he doesn't work for the dealership, but let the inspector in. The business license displayed expired in July 2016. The inspector asked to see titles and deal files. The son called his father, who stated he had the files with him and not on site. The father stated he was busy and could not bring the files for inspection. The temporary tag logs were present, and only show eight sales between August 2014 and September 2016. The business's annual sales report for 2016 claims 31 used units were sold.

The inspector noted that he had visited the business four previous times, and has driven by numerous times, and never seen vehicles displayed. Rather, the lot is full of for sale outbuildings from the son's business.

Recommendation: Authorize a civil penalty for \$1,500 for (1) failing to maintain business hours; (2) failing to maintain a county business license; and (3) failure to produce business records, to be settled by consent order or a formal hearing.

Commission Decision: Approved.

37. 2017025851

2017025401

First Licensed: 02/23/2017

Expiration: 01/31/2019

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant, along with a friend that was a former salesperson, purchased a vehicle from Respondent. Complainant alleged Respondent sold Complainant a vehicle without stating the vehicle was salvaged. The vehicle also had a number of mechanical issues, and Complainant alleged she never signed an as-is warranty. Complainant knew a state inspector, and informed that inspector of the issues. That inspector conducted an inspection and discovered Respondent was selling rebuilt and salvaged vehicles. However, the inspection also revealed that Respondent was not maintaining records of the sales conducted. Rather, Respondent was only making photocopies of the titles as proof of sale. Also, it was noted that the vehicle sold was not salvaged, but rather was rebuilt and had a proper branded title.

Respondent stated he informed the Complainant the title was branded as a rebuilt vehicle, and that he only deals in rebuilt vehicles. Respondent pointed out that Complainants paid \$4,500 for a 2012 Honda Accord, which is evidence the purchasers knew the vehicle was not a clean title, especially in light of the fact Complainant's friend that assisted her in the purchase was a former vehicle salesperson. Additionally, Respondent stated the Complainant checked the VIN and saw the title, which both would show the status in addition to his verbal disclosures. Additionally, Respondent states Complainant took three days haggling on the price due to the rebuilt nature. Respondent stated Complainant refused to accept his offer to unwind the deal, and instead insisted on \$16,000 since it was Complainant's understanding that the bond company would pay that much to Complainant. Respondent refused.

Respondent is a newly-licensed dealership that became licensed after it was discovered he was selling vehicles without a license. In fact, the vehicle in this matter was the first sale Respondent has at his new dealership. Respondent has worked to come in to compliance by opening the dealership, and as a result of the above incident and the inspector's explanations, Respondent is now executing bills of sale and disclosure documents to add to his sale files.

Recommendation: Authorize a consent order that requires Respondent to undergo an inspection within sixty days of execution in order to ensure compliance. Respondent shall have thirty days from the date of that inspection to cure any deficiencies. If Respondent fails to come into compliance according to the schedule set forth in the consent order, Respondent shall pay \$500 per outstanding violation, to be settled by consent order or a formal hearing.

Commission Decision: Approved

38. 2017025701

First Licensed: 03/31/2008

Expiration: 02/28/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): February 2016 - \$1,000 consent order for failure to provide the proper conditional delivery form; May 2017 - \$2,500 consent order for failure to use proper conditional delivery agreement.

Complainants alleged Respondent did not disclose mechanical issues with a vehicle they purchased. Complainants admit Respondent did inform them the rod bearing needed to be replaced prior to Complainants purchasing the vehicle. Complainant alleged Respondent informed them the repair would take two weeks. The repair took longer due to an incorrectly ordered part. When Complainants picked up the vehicle, Respondent noticed oil leaking and asked them to return the vehicle again. After that, the vehicle still had mechanical issues. Respondent offered a free three-month warranty or \$100 off another vendor's warranty. During the down time, Respondent provided Complainant with a loaner vehicle. Ultimately Complainants rejected the warranty offer and wanted the deal unwound. Respondent refused.

Complainant alleges other wrongdoing such as misleading them about the car's history, forging names on the titles, and odometer discrepancies. As a result of the above, Complainant and Respondent are involved in civil litigation.

Recommendation: Authorize this matter be placed in litigation monitoring through the execution of a litigation monitoring consent order.

Commission Decision: Approved

39. 2017027881	2017034021
2017029051	2017034041
2017000561	2017037561
2017028471	2017041371
2017028591	2017035851
2017030191	2017047071
2017031251	2017047401
2017031611	2017047781
2017041171	
2017041551	
2017032311	
2017032601	
2017033331	
2017033351	
2017034001	

First Licensed: 03/15/2012
Expiration: 12/31/2018 (Closed)
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

All of the above complainants are either individuals or consumers represented by a financier that have been unable to acquire title for vehicles purchased from Respondent. Respondent is currently closed following a tragic death of the owner's father. The financier expressed its exposure is around \$81, 917.93 due to Respondent's failure to produce title in order to perfect liens. Respondent claims it is working with its lenders and floor planners to slowly pay off debts and get titles.

Recommendation: Authorize the voluntary revocation of Respondent's license, to be settled by consent order or a formal hearing.

Commission Decision: Authorization for the voluntary revocation of Respondent's license, to be settled by consent order or a formal hearing. Additionally, legal has the authority to move any new matters against Respondent to formal charges authorized without bringing the new matters to the Commission.

40. 2017010351
First Licensed: 11/25/2017
Expiration: 10/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

This complaint was opened as a result of a Notice of Violation for operating on an expired license and no business license on display. An investigation was conducted. The business license turns out to have been valid, but it was improperly mailed to the corporate headquarters rather than the franchise location. It is now on display. Additionally, the corporate headquarters stated they applied timely for their dealer's license renewal, but some misunderstanding occurred which resulted in the renewal not being processed. After receiving the Notice of Violation, Respondent submitted the information needed and the license was renewed. Only one vehicle was sold during that time, and the computer system does show the application was submitted timely, but was not completed so it expired.

Recommendation: Close upon an issuance of a letter of warning.

Commission Decision: Approved

41. 2017010851
First Licensed: 10/19/2015
Expiration: 10/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent sold her a salvaged vehicle without proper disclosures. An investigation was conducted that revealed Carfax, Copart, and all other ascertainable documentation showed that the vehicle was not salvaged. When the investigator attempted to meet with the Complainant about this matter, Complainant requested this complaint be withdrawn. Regardless of Complainant's withdrawal, this complaint appears to be without merit. Additionally Respondent showed that even when it does sell salvage vehicles, it has the proper disclosure forms executed.

Recommendation: Close.

Commission Decision: Approved

42. 2017015751
First Licensed: Unlicensed
Expiration: Unlicensed
Type of License: N/A
History (5 yrs.): N/A

A county clerk turned this in for possible unlicensed activity. This was due to a newly registered vehicle being previously registered to Respondent, which had a name that could be a dealer name. Respondent was located and explained he owned a transport company in Michigan, and the vehicle was registered in the name of the Michigan company, but he sold that vehicle. Respondent states he does not sell vehicles, and explained the company name to the purchaser. The purchaser agreed with Respondent and stated he knew he was buying the vehicle from the company's owner, who was not a dealer. No evidence of any other title transfers or sales were located and Respondent's story was verified.

Recommendation: Close.

Commission Decision: Approved

43. 2017025571
First Licensed: 05/14/2007
Expiration: 04/30/2019
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent illegally repossessed his vehicle prior to his first payment coming due. An investigation was conducted. The investigation uncovered that Complainant was a former employee. Additionally Complainant misrepresented the actual sale date to the Department. Respondent responded to state Complainant misled financing and failed to pay a deferred down payment he requested. The deferred down payment was properly recorded in the deal file, and the repossession was properly noticed prior to resale.

Recommendation: Close

Commission Decision: Approved

**44. 2017025441
First Licensed: 02/14/2017
Expiration: 01/31/2019
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A**

Complainant alleged Respondent changed prices of vehicles to higher numbers during tax season, and operating unethically. Complainant attempted to purchase vehicles from two of Respondent's locations. Complainant noticed mechanical issues with some of the vehicles she test drove, and was embarrassed to be told in the lobby Complainant did not qualify for a different vehicle she wanted. Complainant also had issues getting financing approval for another vehicle due to the dealership not counting sick leave and vacation time as income. Ultimately, Complainant never purchased a vehicle from any of the Respondent's locations. Additionally, Complainant dislikes that the prices are only given in-person rather than over the phone or online.

While Complainant makes a number of allegations, none rise to the level of a violation of the laws and rules subject to the authority of this Commission.

Recommendation: Close.

Commission Decision: Approved

**45. 2017025381
First Licensed: 10/13/2004
Expiration: 10/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): December 2015 - \$1,000 Agreed Citation for failure to properly maintain a temporary tag log.**

Complainant alleged Respondent put false information on his financing documents resulting in a payment Complainant cannot afford. However, after review, all documents were signed by Complainant. Respondent stated it submitted the information provided to it, and also produced copies of all documents with Complainant's signature on each document. Complainant stated in a response that he doesn't remember signing the documents. Respondent did reimburse the Complainant for the extended warranty he bought as a show of good faith.

Recommendation: Close

Commission Decision: Approved

46. 2017024451

First Licensed: 12/04/2000

Expiration: 11/30/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): May 2013 – \$500 Consent Order for failure to properly maintain a temporary tag log. May 2017 - \$5,400 Consent Order for 54 unlicensed sales.

Complainant purchased a 2006 vehicle on April 3, 2017, from the Respondent. During the test drive, Complainant noticed the speedometer was not working. The salesperson stated they would fix it if he would bring back the car after the order the part. On the way home, Complainant noticed the odometer was broken. No odometer disclosure was in the file due to the age of the vehicle, but the miles were listed as exempt on the bill of sale. The Respondent stated it would also fix the odometer as a show of good will.

Complainant contacted Respondent numerous times about having the car fixed. Respondent states it was hiring a new mechanic which resulted in a three-week delay. On June 12, 2017, Respondent told the State’s investigator Complainant could bring in the vehicle. At that time, the Complainant’s second temporary tag had expired, and Complainant could not drive it to the dealership. As of July 5, 2017, Complainant still has not received his title from Respondents, and therefore has been unable to get the vehicle repaired.

Recommendation: Authorize a civil penalty for \$1,000 for false, fraudulent, and/or deceptive acts related to Respondent’s failure to deliver title to be settled by consent order or a formal hearing. Respondent’s past penalties serve as an aggravating factor.

Commission Decision: Approved

47. 2017024281

First Licensed: 09/27/2013

Expiration: 06/30/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant purchased a vehicle from Respondents in July of 2015. As of May, 2017, Complainant still had not received a title from Respondents. Complainant attempted to contact Respondent numerous times. Respondent would not answer, or the calls would go to voicemail. When someone finally answered, they stated it was the auction’s fault. Complainant attempted to contact the auction. The auction provided a copy of the title which was made out to Respondents. Complainants paid \$95 to have the title transferred, but it never was. Respondent accused Complainants of having the title and losing it, but the title is still made out to Respondents, and Complainants deny they ever had possession of the title. Respondent’s bond information was provided to Complainants.

Recommendation: Authorize a civil penalty in the amount of \$500 false, fraudulent, and/or deceptive acts related to Respondent's failure to deliver title, to be settled by consent order or a formal hearing.

Commission Decision: Approved

48. 2017023231

First Licensed: Unlicensed

Expiration: Unlicensed

Type of License: N/A

History (5 yrs.): N/A

Respondent is an out-of-state dealership that sells access to motor vehicle auctions to allow unlicensed salespersons to sell in the State of Tennessee. An investigation was conducted that revealed Respondent has a presence and all major Tennessee auto auctions. In total, twenty-six buyer representatives were identified. One representative cooperated with the investigation and stated he believed the business model was legal, and that he found the information online. He paid \$500 a month and a per vehicle fee. That representative quit as soon as investigators contacted him, and explained the set-up could be illegal. The representative gave the investigator Respondent's number. When the investigator called and pretended to be interested in a similar set up as the cooperating representative, a staff person explained the exact set up as the representative had. After identifying himself, the owner contacted the investigator and explained he had a large group of Tennessee wholesales, and he did not know local sales would be illegal. He is partnered with nine or ten dealerships around the county, none of which are located in Tennessee. The owner expressed he would change his business model if needed.

Recommendation: Authorize a civil penalty in the amount of \$10,000, to be reduced to \$5,000 if Respondent submits proof the business model has been changed to prohibit local sales in Tennessee, to be settled by consent order or a formal hearing.

Commission Decision: Approved

49. 2017022641

First Licensed: 11/05/2010

Expiration: 11/30/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Over a year after purchase, Complainant discovered that the vehicle he purchased from Respondent had water damage, and the undercarriage was rusted. Complainant did not request a CarFax at the initial purchase. Respondent alleges Complainant was the cause of the damage, and it was not sold in that condition. Respondent submitted the original documents from the auction where the vehicle was originally obtained. No

records indicated water damage. Complainant purchased a warranty with the vehicle, but erosion such as that described is exempt from the warranty coverage.

Recommendation: Close.

Commission Decision: Approved

50. 2017022381
First Licensed: Unlicensed
Expiration: Unlicensed
Type of License: N/A
History (5 yrs.): N/A

Complainant alleged Respondent sold her a vehicle that experienced mechanical issues. Respondent is an unlicensed mechanic shop. An investigation was conducted. When the investigator asked the Respondent's manager about the Complainant's vehicle, he alleged the vehicle was his personal vehicle. Two other vehicles were observed as "for sale" on the property, but Respondent stated the vehicles had garagekeeper's liens. Due to requests to leave the property, the VINs were not recorded, so the liens could not be confirmed. A witness stated that one of the vehicles displayed was actually sold to the Respondent; however, that witness refused to cooperate further.

Additionally, when asked to cooperate in the investigation, Complainant refused.

Recommendation: Close this matter upon issuance of a letter of warning.

Commission Decision: Approved

51. 2017021761
First Licensed: 09/01/1991
Expiration: 09/30/2017 (Closed 10/06/2016)
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainants alleged Respondent sold them a salvaged camper, but ultimately Respondent has failed to deliver good title as agreed upon. Respondent was a licensed dealership, but it closed its location in 2016. Respondent stated it was unaware its license ended when it closed its physical property. The camper was sold as if the Respondent was still an actively licensed dealership, including listing the seller as the unlicensed dealership. Complainants allege they did not know it was a dealership sale until paperwork was executed. Complainants discovered the camper on Craigslist and purchased it from a residential home.

Respondent alleges it is still working to get the vehicle authorized as a rebuilt vehicle for Complainants, but Respondents have had to find a licensed dealership to assist, and disagreements arose between Complainants and Respondents regarding the payment of sales tax.

Recommendation: Authorize a \$1,000 civil penalty for one unlicensed sale, to be settled by consent order or a formal hearing.

Commission Decision: Approved

52. 2017019931
First Licensed: 01/19/2006
Expiration: 01/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent sold her a rebuilt vehicle without disclosing that fact. The vehicle was ultimately repossessed after Complainant failed to obtain insurance for the vehicle. An investigation was conducted. The deal file does show the bill of sale does disclose the fact that the vehicle was wrecked, and had a rebuilt title. Complainant was expressly asked to sign that statement, and she had done so. However, the disclosure was not as robust as the one now required by Rule 0960-01-.29.

Recommendation: Authorize a civil penalty in the amount of \$500 for failing to use proper rebuilt form, to be settled by consent order or a formal hearing.

Commission Decision: Approved

53. 2017018461
First Licensed: 09/26/2007
Expiration: 10/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant traded in a vehicle to Respondents for a new vehicle. The trade-in was previously purchased from Respondent. Two weeks after the purchase, the financing rejected the Complainant after Complainant failed to provide requested updated pay stubs after the income provided came back unverifiable. Complainant wanted to get back their trade-in rather than try to get different financing.

Respondent stated the trade-in had already been sold at auction. Respondent did find a new financier for Complainant, but Complainants refused to sign the new contract. Respondent alleges the Complainant was offered the trade-in back prior to it being sold, but Complainant refused due to mechanical issues with the vehicle. Respondent chose to not hold the Complainant's liable for the difference in their trade-in payoff.

Recommendation: Close.

Commission Decision: Approved

54. 2017018271
First Licensed: 07/05/2002
Expiration: 06/30/2019
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent would not honor a warranty due to having a friend replace his sparkplugs. Respondent responded to state that the issue with the vehicle was unrelated to the sparkplugs, which they fixed. Additionally, to resolve the complaint, Respondent did other work as well. Complainant is in possession of the vehicle, and Complainant never responded to the investigator.

Recommendation: Close.

Commission Decision: Approved

55. 2017018231
First Licensed: 07/28/2010
Expiration: 07/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): December 2015 - \$1,000 Consent Order for Failure to Properly Maintain a Temporary Tag Log; July 2016 - \$7,500 Consent Order for False/Fraudulent/Deceptive Acts, Failure to Notify Commission of Ownership/Location Change, Failure to Maintain Business Hours, Failure to Allow the Inspection of Business Records, Failure to Comply with State/Federal Laws; March 2017 - \$4,000 Agreed Order for Failure to Properly Maintain a Temporary Tag Log, Possession of Open Titles, and Failure to Respond to the Commission;

Complainant alleged Respondent failed to timely deliver title for a vehicle, and an odometer issue was discovered as well due Complainants own Auto Check. Complainant alleged Respondent issued three temporary tags. Respondent responded to state the vehicle was purchased from auction with no indication of an odometer issue, but due to Complainant's discovery, Respondents ultimately bought back the vehicle in full and initiated the possibility of a lawsuit against the auction. Records indicate the auction had a recent class action lawsuit alleging similar issues. Complainant contacted the auction, and the auction alleged it made an announcement, but no proof was provided.

All Auto Checks and Car Fax reports run by Respondent also showed the mileage as the lower mileage Respondent believed the vehicle had. Copies of those reports were provided by Respondent. Respondent did issue a third temporary tag to the Complainants in the process of trying to figure out the major issues with the auction. It is alleged Respondent was concerned about legal action threatened by Complainants, and had to consult an attorney, which resulted in delay in both titling and the ultimate unwinding of the deal.

Recommendation: Authorize a civil penalty in the amount of \$500 for issuing a third temporary tag, to be settled by consent order or a formal hearing.

Commission Decision: Approved

56. 2017016661
First Licensed: 06/23/2004
Expiration: 06/30/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant purchased an extended warranty from Respondent. Complainant alleges he was told by Respondent's finance manager that the extended warranty would be honored at any dealership in the country under the same franchise make. This was despite the fact that the extended warranty was for a different make than that of the Respondent's franchised make. Later, Complainant brought the vehicle to another similarly-franchised dealership to have repairs performed. The dealership advised Complainant they did not service the make of vehicle Complainant had, and advised him to return to the Respondent. Respondent advised Complainant to take the vehicle to a dealership of the same make as the vehicle, and that it would be covered. Complainant did so, but when that dealership submitted the warranty claim, it was rejected. Complainant, after a number of calls, was able to speak with Respondent's General Manager who negotiated a refund for Complainant. Complainant stated he was satisfied with the refund, but feared others would also have purchased a warranty that would not be usable like he had.

An investigation was conducted. Respondent denies any intentional misconduct, and expressed that they took proactive measures to mediate the problem that ultimately stemmed from the manufacturer that held the warranty and not the Respondent dealership. Respondent expressed it has not had similar issues with other warranties. Respondent states it sells about fifteen extended warranties a month.

Recommendation: Close.

Commission Decision: Approved

57. 2017016581
First Licensed: 09/01/1991
Expiration: 05/31/2018
Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Another licenses filed a complaint against the Respondent alleging the license holder had passed away, and other individuals were illegally using the license. Additionally, Complainant stated the dealership is not licensed to sell to the public. Complainant also states it is missing essential facilities like parking and restrooms.

Contrary to Complainant's allegations, Respondent is licensed as a motor vehicle dealer and can sell to the public. Respondent's license is held be a corporate entity and not the individual that passed away. Additionally, Respondent's annual inspection, conducted in January, identified the facility is in compliance with MVC's laws and rules.

Recommendation: Close.

Commission Decision: Approved

58. 2017015831
First Licensed: Unlicensed
Expiration: Unlicensed
Type of License: N/A
History (5 yrs.): N/A

This complaint was referred to staff by a county clerk. Respondent had registered a number of vehicles under a mechanic's lien; however, Respondent has a history of unlicensed sales. An investigation was conducted, and it was discovered that all vehicles had proper mechanic's lien paperwork executed, and no vehicles appeared to be listed or shown for sale at Respondent's business location or other storage sites.

Recommendation: Close.

Commission Decision: Approved

59. 2017015311
First Licensed: 09/20/2007
Expiration: 09/30/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): June 2014 - \$5,500 Agreed Citation for Employing 5 Unlicensed Salespeople and 6 Sales by Unlicensed Individuals; June 2016 - \$4,000 Consent Order for Issuing More Temporary Tags than Allowed by Law, False/Fraudulent/Deceptive Acts, and Possession of 2 Open Titles; October 2016 – Complaint referred to Federal Trade Commission for Possible Inappropriate Contract Service/Warranty Add-Ons.

An anonymous complainant alleged Respondent sent out mailers for 0% financing available, but anonymous complainant alleges Respondent cannot offer such financing because anonymous complainant personally knew Respondent was dropped by its franchised captive finance source. Anonymous complainant alleges Respondent could

only offer 0% financing through its franchised captive finance source, and therefore the ads are deceptive.

While Respondent does have extensive history, Respondent is still a franchised location. The provided mailer had disclosures, and did not indicate the financing was through any particular source. Additionally, Respondent is still listed as a dealership with financing available through the previously mentioned captive financing source.

Recommendation: Close.

Commission Decision: Approved

60. 2017015211

First Licensed: 01/09/2012

Expiration: 12/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): June 2017 - \$500 Consent Order for Failure to Use Correct Rebuilt Disclosure Form

Complainant alleges she purchased a vehicle with numerous mechanical issues. Respondent made multiple repairs despite no coverage, and marked them as good will repairs. Complainant had additional issues, but could not leave the vehicle long enough due to her schedule. Respondent was having difficulty recreating the issues Complainant alleged. Therefore, Respondent allowed Complainant to unwind the deal and apply the money paid for a different vehicle. After that, Respondent was able to identify a mechanical error in a valve fuel shutoff float.

Recommendation: Close.

Commission Decision: Approved

61. 2017013771

First Licensed: 04/14/2016 (relocation approved 3/17/17)

Expiration: 03/32/2019

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

At the end of February, 2017, the inspections team identified Respondent operating a second dealership location without a license. Respondent does hold a dealer license, but not at the location identified. Respondent's owner stated he was unaware a second license was needed. Respondent since finished the paperwork to relocate the license.

However, Respondent stated it had been at the new location since January 2017, but the business's Facebook page indicated to "Come check us out at our new location..." on September 19, 2016. Four deal files were identified as sales conducted from the unlicensed second location, and one had a seller listed that did not hold a license. The

Facebook page also identified the unlicensed individual as someone who can “work a deal for ya!”

Recommendation: Authorize a civil penalty in the amount of \$2,500, (\$500 x 4 unlicensed location sales, and \$500 x 1 unlicensed salesperson) to be settled by consent order or a formal hearing.

Commission Decision: Approved

62. 2017013321

First Licensed: 09/14/2016

Expiration: 08/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent sold him a vehicle with mechanical defects. Namely, the vehicle experiences coolant leaks. Complainant admits he was told of the defect and that the sale was as is. Complainant alleges the defect is worse than he first thought, and Respondent should have told him. A week after purchase, Complainant contacted Respondent about the leaks and Respondent stated to bring in the vehicle for repair, but Complainant never did. He insists on a refund, which Respondents refuse. Respondent also indicate Complainant is behind on payments.

Recommendation: Close.

Commission Decision: Approved

63. 2017013201

First Licensed: Unlicensed

Expiration: Unlicensed

Type of License: N/A

History (5 yrs.): N/A

Respondent currently has an open complaint awaiting formal charges for unlicensed activity. This is a new complaint that alleges Respondent again sold a vehicle without a license. Respondent was contacted by Complainant in order to purchase a vehicle. Respondent knew a man who owned an insurance company that had purchased a number of finance contracts from a local dealership. One of the vehicles under the finance contract had contacted the insurance owner stating the vehicle had major mechanical issues. The insurance owner offered to take the vehicle back and try to resell it. Respondent told the insurance owner his sister would like to buy the vehicle. The insurance owner knew Respondent, and allowed him to take the vehicle and title to his sister. However, Respondent instead took it to Complainant to sell. The title of the vehicle was still in the name of the previous purchaser that returned the vehicle, so Respondent forged her signature in order to conduct the sale. Respondent executed a bill of sale, listing himself as the salesperson and the insurance company as a lienholder. Complainant bought the vehicle for \$8,000 and put \$1,000 down. Complainant ended up experiencing mechanical issues so he asked Respondent

to fix the vehicle or return his down payment. Respondent took the vehicle, changed his phone number, and never returned the vehicle or the tag.

Respondent admits to selling the car, but says he repossessed the vehicle because Complainant did not make payments. He stated he returned the vehicle to the insurance owner. The insurance owner, however, denies Respondent's story and rather, states he went to Respondent's home to retrieve the vehicle after Respondent never contacted him about his sister wanting the vehicle or not.

Recommendation: Authorize a civil penalty in the amount of \$2,000 for unlicensed activity (one sale with aggravating factors of fraud, deceit, and theft) to be settled by consent order or a formal hearing. This civil penalty may be combined with the previous complaint for settlement and/or hearing purposes.

Commission Decision: Approved

64. 2017012971

First Licensed: 01/07/2016

Expiration: 01/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent sold him a vehicle with mechanical issues, and then repossessed the vehicle with his personal property inside. When he tried to get his property, he was told he had signed a contract that stated he had to repay the repossession fees first.

An investigation was conducted. The vehicle was sold as-is, and Complainant would not cooperate with the investigator. However, it was discovered that Respondent has consumers sign a contract addendum that states that in the event of repossession, Respondent "may hold all personal property until all fees are paid and all keys are returned."

Tenn. Code Ann. § 47-50-113 states in pertinent part, "If the owner reclaims the personal property within the fourteen-day period, then the owner shall be given possession without payment of any charges or fees." Therefore, Respondent's contract is not lawful.

Recommendation: Authorize a letter of warning based Respondent's unlawful contractual addendum, which in turn violates Rule 0960-01-.19 [Compliance with State and Federal Laws and Regulations].

Commission Decision: Approved

65. 2017012531

First Licensed: Unlicensed

Expiration: Unlicensed

Type of License: N/A

History (5 yrs.): N/A

2017012532

First Licensed: Unlicensed

Expiration: Unlicensed

Type of License: N/A

History (5 yrs.): N/A

Complainant was a county clerk. Complainant alleged Respondent was selling vehicles without a license. During the investigation, it was revealed Complainant was operating on a Florida license obtained by a business run by his brother. Respondent sold fourteen vehicles in the State of Tennessee under the Florida license, using a Tennessee address. Respondent alleged that the county clerk told him he couldn't use the Florida license, and he ceased sales at that point.

Recommendation: Authorize a civil penalty in the amount of \$3,500 (14 sales x \$250) for unlicensed activity, to be settled by consent order or a formal hearing.

Commission Decision: Approved

66. 2017012281

First Licensed: 04/04/1997

Expiration: 04/30/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): January 2012 – Warning Issued for Advertising Violation; May 2012; \$500 Agreed Citation for 2nd Advertising Violation; January 2013 - \$3,000 Agreed Citation for 3rd Advertising Violation.

Complainant filed a complaint due to his wife's name coming second behind her co-signor on documents, rather than the other way around. Complainant believed this was part of Respondent's attempt to fraudulently obtain financing.

Respondent responded that it had explained the order of the names on the paperwork had no practical difference, and it seemed to be a mistake from the finance company. Because Complainant was still concerned, Respondent worked with the financing company to get new paperwork issued with the names reversed.

Recommendation: Close.

Commission Decision: Approved

67. 2017011871

First Licensed: 12/14/2010

Expiration: 05/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): April 2013 – Letter of Warning Issued for Failure to Post Buyer’s Guides; May 2017 - \$1,000 Consent Order for Issuing More Temporary Tags than Allowed by Law.

2017011872

First Licensed: 04/12/2016

Expiration: 12/31/2018

Type of License: Motor Vehicle Salesperson

History (5 yrs.): N/A

Complainant alleged Respondent 2 misrepresented himself as the owner of Respondent 1 dealership, and as a result, Respondent 2 defrauded Complainant into believing Respondent 2 would cosign an RV for him. In reality, Respondent 2 never sold the vehicle and is believed to have rented the camper out or used it for himself. Ultimately, Complainant had to have the RV picked up by police from Respondent 2’s residence.

Respondent 1 was not aware of Respondent’s 2 arrangement and deceit. Respondent 2 found out about the camper when Complainant sent a certified letter demanding it be returned. At that time, Respondent 1 was not employed with Respondent 1 anymore. Respondent 1 is who advised Complainant to contact police, and provided contact information for Respondent 2 that resulted in the camper being recovered. Respondent 2 is now listed as a salesperson at a different dealership.

Recommendation: As to Respondent 1, close. As to Respondent 2, authorize the revocation of Respondent 2’s salesperson license for false, fraudulent, and deceptive acts, to be settled by consent order or a formal hearing.

Commission Decision: Approved

68. 2017010851

First Licensed: 10/19/2015

Expiration: 10/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent sold her a vehicle that was totaled previously, but did not disclose that fact. An investigation was conducted that revealed the vehicle had a clean title, and no such accident seemed to be recorded. The title was even checked by the Tennessee Department of Revenue investigations staff. The Complainant refused to cooperate in the investigation.

Additionally, Respondent showed that when he does sell rebuilt vehicles, he has all the necessary disclosure paperwork on hand.

Recommendation: Close.

Commission Decision: Approved

69. 2017010751

First Licensed: 08/25/2009

Expiration: 08/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged mechanical issues with the vehicle he purchased. Respondent repaired a warning light, but later Complainant dropped the vehicle off at Respondent's location. The vehicle had been wrecked. Respondent concluded the vehicle had been abandoned. Complainant was uncooperative with the investigator. The vehicle was rebuilt. The bill of sale indicated the rebuilt nature of the vehicle, and it was signed by the Complainant. However, the language was not in compliance with Rule 0960-01-.29. The investigator noticed this missing document, and provided a copy to Respondent. Respondent stated he was unaware of the form, and that he would use it on future sales.

Recommendation: Authorize a civil penalty in the amount of \$500 for failing to use proper rebuilt form, to be settled by consent order or a formal hearing.

Commission Decision: Approved

70. 2017025811

First Licensed: 08/02/2002

Expiration: 07/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint was opened as a result of a Notice of Violation. Respondent was found to be operating with expired business licenses for both the city and county. The city and county confirmed the business licenses were expired.

Recommendation: Authorize a civil penalty in the amount of \$500 (\$250 x 2 licenses) to be settled by consent order or a formal hearing.

Commission Decision: Approved

71. 2017020071

First Licensed: 05/20/2015

Expiration: 06/30/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): June 2016 - \$500 Agreed Citation for Failure to Maintain City/County Business License.

Complainant alleged mechanical issues with the vehicle including the fact that the car did not come with a spare tire or a jack. Respondent ordered a new jack and a spare after Complainant complained. Following that, Complainant stopped paying for

the car and told Respondent to come get it. Respondent did so as repossession, and has not experienced any other issues with the vehicle.

Recommendation: Close.

Commission Decision: Approved

72. 2017036061
First Licensed: 05/10/2016
Expiration: 03/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent would not produce title. Complainant complained less than a month after the purchase of the vehicle. Legal contacted Complainant upon receiving the complaint, and Complainant stated title was received thirty-one days after purchase, and the owner was reasonable. Complainant was not happy with the way one employee spoke to him, and Complainant acknowledges the owner resolved the concern, and Complainant now wishes to withdraw his complaint.

Recommendation: Close.

Commission Decision: Approved

73. 2017027461
First Licensed: 10/14/2011
Expiration: 10/31/2017
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Respondent is selling vehicles on Craigslist and pretending to be an individual and not a dealership. Respondent has formal charges pending for an identical violation.

Recommendation: Authorize this matter be set to formal charges to be combined with pending action.

Commission Decision: Approved

SHILINA

1. 2017013841
First Licensed: 11/14/2008
Expiration: 10/31/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent's service department was rude to her and were difficult regarding going on a test drive with her in order to diagnose the front end noise (she wanted them to drive over to some mountains that were 40 miles away from dealership, dealership refused). Respondent also alleges Respondent dealer told her the vehicle was no longer under warranty when her check engine light came on. Respondent found the check engine light to be due to dirty oil following a phone call with manufacturer. Respondent agreed to provide an oil change for free. Respondent offered to go on a test drive with Complainant, but at the time it was raining and Complainant became upset because she does not like to drive in rain.

Recommendation: Close.

Commission Decision: Approved

2. 2017014061

First Licensed: 11/28/2012

Expiration: 11/30/2018 (Closed 04/12/2017)

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent engaged in deceptive acts and unlicensed activity when Respondent's salesperson sold them a vehicle under the guise of a private party sale when in fact the vehicle belonged to Respondent dealer. Respondent also failed to timely title/register the vehicle. Per Complainant, the dealership is now abandoned. Surety bond information was sent to the Complainant. Dealership license status is now closed.

Recommendation: Close and flag.

Commission Decision: Approved

3. 2017015091

First Licensed: 03/01/2016

Expiration: 03/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent engaged in deceptive/false acts when they had sold a vehicle that they had previously agreed to sell to Complainant to another buyer. Respondent states that Complainants failed to obtain a loan in an acceptable amount of time because they failed to provide all necessary documents to a credit union. There was no down payment paid for the vehicle. The sales agreement states the offer to purchase was for "today," and there was no language extending the agreement beyond the same day. Respondent sold the vehicle to another consumer after waiting 4 days for Complainant to get loan approval. There was no financial damage to the Complainant.

Recommendation: Close.

Commission Decision: Approved

4. 2017016101
First Licensed: 09/01/1991
Expiration: 08/31/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent engaged in deceptive advertising by misstating the MSRP of vehicles on their online advertisements creating the appearance that discounts were greater than they actually were. Respondent has admitted to the error, blaming it on a computer problem, and stated they are taking steps to correct their systems. A review of Respondent's website shows that Respondent has changed the phrase "MSRP" to "Market Price." The Market Price is still above MSRP.

Recommendation: Authorize a Letter of Warning for Deceptive Advertisements, 0960-01-12(2) be sent to the Respondent. Respondent may not use the phrase "Market Price" because the phrase is deceptive and does not define the market. Additionally, Respondent is stating the market price is well above the MSRP. Respondent's website will be checked 10 days after sending of the Letter of Warning to ensure Respondent is in no longer using the phrase "market price" and that all advertised discounts are being taken off MSRP.

Commission Decision: Approved

5. 2017013161
First Licensed: 02/16/1994
Expiration: 12/31/2017
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent engaged in deceptive acts by not disclosing that the vehicle they were purchasing had been in two accidents. Additionally, Complainant alleges Respondent sold them another vehicle with a 4x4 emblem on the back when in fact the vehicle was a two wheel drive. Respondent states Complainant did not request a Carfax at time of sale, but that Respondent was willing to accept the vehicle as a trade-in and value it as if no accidents in vehicle history. Additionally, from facts stated by Complainant and Respondent, it appears the problem with the 4x4 was due to a manufacturer error, however, Respondent is willing to accept the vehicle as a trade-in and value at a 4x4 price. There was not branded title alleged or found.

Recommendation: Authorize a Letter of Warning for Deceptive Acts, 55-17-114(b)(1)(K) to the Respondent.

Commission Decision: Approved

6. 2017016731

First Licensed: 11/21/2006

Expiration: 10/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): April 2012 - \$500 civil penalty for 2nd advertising violation within a 1 yr. period; March 2013 - \$5,000 civil penalty for employing an unlicensed salesperson; May 2013 – Letter of Warning for advertising violation; July 2015 - \$1,000 civil penalty for employing an unlicensed salesperson.

Complainant alleged Respondent engaged in deceptive/false acts when they failed to subtract \$8,000 for Complainant's trade-in on the bill of sale. Respondent submitted a copy of the bill of sale which clearly shows a deduction of \$8,000 for the trade-in in question. Appears Complainant is confused because the Bill of Sale also includes a line adding back on the amount still owed to the finance company for the trade in.

Recommendation: Close

Commission Decision: Approved

7. 2017017951

First Licensed: 11/14/2008

Expiration: 10/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent engaged in deceptive/false acts when they failed to disclose that the vehicle they were purchasing was involved in a previous accident. Complainant states the evidence of a previous accident was only uncovered subsequent to a body shop doing work on the vehicle following Complainant being in an accident of their own. Respondent provided a copy of the Carfax, signed by Complainant at time of sale, which shows no accidents. Per Respondent, they are willing to assist Complainant with filing a Carfax Buy Back Guarantee and to discuss a trade-in of the vehicle.

Recommendation: Close.

Commission Decision: Approved

8. 2017018531

First Licensed: 01/04/2016

Expiration: 01/31/2018 (Closed 01/27/2017)

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent engaged in deceptive/false acts when they failed to timely title/register their vehicle and issued five temporary tags. Respondent dealer is

out of business, license status is “closed.” Surety bond information was sent to the Complainant.

Recommendation: Close and flag.

Commission Decision: Approved

9. 2017016611

First Licensed: 10/16/2015

Expiration: 08/31/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): February 2016 – Letter of Warning for advertising violation.

Complainant alleged Respondent engaged in deceptive/false acts when they failed to timely title/register their vehicle. Respondent states the delay in registering the vehicle was due to Complainant’s delay in emissions testing, Complainant’s expired driver’s license, and a type on the mileage on the contract. Respondent paid Complainant \$500 for the inconvenience of the delays and put Complainant in a rental car for three weeks when Respondent could no longer issue temporary tags. Respondent has provided legal with evidence that the vehicle was properly titled and that Respondent did pay for the rental car.

Recommendation: Close.

Commission Decision: Approved

10. 2017025971

First Licensed: N/A (Unlicensed)

Expiration: N/A

License Type: N/A

History (5 yrs.): N/A

Complainant alleged Respondent attempted to sell five vehicles in Tennessee without a license to operate as a Motor Vehicle Dealer in the State of Tennessee by the Tennessee Motor Vehicle Commission, in violation of Tenn. Code Ann. § 55-17-109(a)(1). Complainant further alleged Respondent was in possession of three open titles in violation of Tenn Code Ann. § 55-17-114(b)(1)(M). An Agreed Citation in the amount of \$4,000 was sent to Respondent. Respondent responded within 30 days, stating that only three of the vehicles were for sale.

Recommendation: Authorize a civil penalty in the amount of \$5,000 for unlicensed activity (Tenn. Code Ann. § 55-17-109) to be settled by consent order or a formal hearing and \$1,500 for open titles in violation of Rule

Commission Decision: Approved

11. 2017025831

First Licensed: 01/08/2014

Expiration: 11/30/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): May 2014 - \$1,500 civil penalty for unlicensed activity; November 2016 - \$1,000 civil penalty for fraudulent/deceptive acts; November 2016 - \$1,000 civil penalty for failure to properly maintain a temporary tag log.

Complainant alleged Respondent misused dealer tags (not on the Commission approved schedule for agreed citations). Owner placed his dealer plate on a vehicle with a salvaged title.

Recommendation: Authorize a civil penalty in the amount of \$500 and/or the suspension or revocation of Respondent's license for using a special license plate assigned to that person for any purpose other than those permitted by law under Tenn. Code Ann. § 55-17-114(b)(1)(I).

Commission Decision: Approved

12. 2017025631

First Licensed: 04/24/2013

Expiration: 02/28/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant purchased a vehicle "AS-IS" and the vehicle began to have mechanical issues and Respondent refused to pay for repairs. Respondent stated that he informed Complainant that the vehicle had no warranty coverage. Complainant signed a document from Respondent stating that Complainant must pay all costs for any repairs, and the dealer assumes no responsibility for any repairs, regardless of any oral statements about the vehicle.

Recommendation: Close.

Commission Decision: Approved

13. 2017025521

First Licensed: 03/09/2011

Expiration: 01/31/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): July 2014 - \$500 Agreed Citation paid for issuing more temporary tags than allowed by law.

Complainant alleged Respondent is hampering their ability to register their vehicle in Florida by not providing title to the vehicle. Respondent stated that there is language in their contract which prohibited Respondent from removing the vehicle from the State of Tennessee prior to paying the vehicle off in full. Respondent also stated that it will not release title until full payment is made and the Respondent does

not finance out-of-state. Respondent states the Complainant has made several threats against them and is not allowed in their office. The Complainant is not on the contract and the Respondent will no longer communicate with the Complainant. The title cannot be surrendered for registration in another state until the amount owed is paid in full.

Recommendation: Close.

Commission Decision: Approved

14. 2017025481
First Licensed: 04/24/2015
Expiration: 04/30/2019
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent illegally repossessed the vehicle and has not returned the down payment for the vehicle. Respondent stated that after Complainant refused to perform under the contract to purchase the vehicle, Respondent took possession of the vehicle and told Complainant that she could establish new financing or pay the remaining balance in cash, to which Respondent refused. Respondent advised Complainant's attorney that it is willing to honor the sales contract if she is willing to pay the purchase price for the vehicle.

Recommendation: Close.

Commission Decision: Approved

15. 2017025471
First Licensed: 02/25/2013
Expiration: 02/28/2018 (Closed 06/05/2017)
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant purchased a vehicle on February 25, 2017 and went to back to the dealership to get the tags for the vehicle. The Respondent provided another drive out tag and the Complainant went back again and the dealership was closed. The Commission staff sent the surety bond information to the Complainant. Respondent failed to provide a response.

Recommendation: Close and flag.

Commission Decision: Approved

16. 2017025421
First Licensed: 01/31/2006
Expiration: 11/30/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): October 2012 – Warning issued for advertising violation.

Complainant alleged Respondent sold him a vehicle without disclosing a prior accident. Complainant disclosed that Respondent claimed to have completed a CarFax Vehicle History Report on the vehicle, which did not show any accidents. Additionally, Complainant alleged that Respondent promised to refund the purchase price, but at the time of complaint a refund had not been provided to the Complainant.

Recommendation: Authorize a Letter of Warning for Deceptive Acts, 55-17-114(b)(1)(K) and authorize a civil penalty in the amount of \$1,000 for failure to respond to Commission’s request for a response to the allegations pursuant to Tenn. Comp. R. & Regs. 0960-01-.23. To be settled by consent order or formal hearing.

Commission Decision: Approved

17. 2017024631

First Licensed: 12/05/2013

Expiration: 09/30/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged that Respondent failed to produce title/registration for more than a year after the purchase of the vehicle. Complainant alleged that Respondent had not received title to the vehicle before reselling the vehicle to Complainant. Respondent stated that the title was mailed out with the tracking number to Complainant’s lienholder. After notification of the complaint being filed against the Respondent, Respondent contacted the lienholder, which stated that it never received the title. Respondent is working with Complainant to resolve the issue.

Recommendation: Close.

Commission Decision: Approved

18. 2017024611

First Licensed: 02/10/2010

Expiration: 01/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent sold Complainant a motorcycle with major mechanical issues which caused the motorcycle to be unsafe. Respondent serviced the motorcycle twice for the same issue, but could not duplicate the problem stated by the Complainant. Complainant had the motorcycle serviced at other dealerships four other times without resolving the issue. Respondent stated that despite riding the motorcycle for a total of 143 miles, the problem reported by Complainant did not

occur. Respondent provided detailed evidence of service to the motorcycle. Respondent suspects that the issue is operator error.

Recommendation: Close.

Commission Decision: Approved

19. 2017024211

First Licensed: 04/06/2015

Expiration: 03/31/2017 (Closed 08/30/2016)

License Type: Motor Vehicle Dealer

History (5 yrs.): August 2016 – Letter of Warning for failure to properly maintain a temporary tag log.

Complainant alleged that Respondent failed to produce title/registration and produced two temporary tags. Respondent is now out-of-business and its license status is “closed.” The Respondent’s surety bond information was sent to the Complainant.

Recommendation: Close and flag.

Commission Decision: Approved

20. 2017024191

First Licensed: 02/25/2013

Expiration: 02/28/2018 (Closed 06/05/2017)

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant purchased a vehicle and obtained the financing directly from the Respondent and went to make a payment and the business was closed. The surety bond information was sent to the Complainant.

Recommendation: Close and flag.

Commission Decision: Approved

21. 2017022951

First Licensed: 09/01/1991

Expiration: 09/30/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged that certified pre-owned vehicle purchased was ineligible for Certified Pre-Owned Warranty because the vehicle is Canadian and that the alternate warranty was already expired. Complainant also alleged that Respondent will not compensate Complainant for the premium paid for the warranty. Respondent

purchased another warranty on behalf of Complainant for no charge after learning that the Certified Pre-Owned Warranty was ineligible. The replacement warranty provided Complainant with more coverage than what Complainant originally purchased/bargained for.

Recommendation: Close.

Commission Decision: Approved

22. 2017022931
First Licensed: 04/03/2008
Expiration: 03/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent sold her multiple vehicles with mechanical issues and failed to provide title/registration for the most recent vehicle purchased. After multiple mechanical issues on a vehicle purchased from Respondent, Complainant exchanged the vehicle for a different vehicle. The second vehicle also presented with multiple mechanical issues shortly after purchase. Surety bond information was sent to the Complainant. The Respondent failed to provide a response to the Commission.

Recommendation: Authorize a civil penalty in the amount of \$1,500 for one count of false, fraudulent, or deceptive acts pursuant to Tenn. Code Ann. § 55-17-114(b)(1)(K) and failure to respond to Commission's request for a response to the allegations pursuant to Tenn. Comp. R. & Regs. 0960-01-.23. To be settled by consent order or formal hearing.

Commission Decision: Approved

23. 2017022681
First Licensed: N/A
Expiration: N/A
License Type: N/A
History (5 yrs.): December 2016 - \$3,500 Consent Order for unlicensed activity.

An inspection was conducted and a Notice of Violation was issued to the Respondent for offering more than five vehicles for sale without a license in violation of Tenn. Code Ann. § 55-17-117 and Rule 0960-01-.20. There are two previous complaints against this Respondent for unlicensed activity.

Recommendation: Authorize a civil penalty against the Respondent in the amount of \$5,000 pursuant to Tenn. Code Ann. § 55-17-117 for unlicensed activity in attempting to sell more than five vehicles without a license in violation of Rule 0960-1-.20(3).

Commission Decision: Approved

24. 2017022311
First Licensed: 10/18/2001
Expiration: 10/31/2017
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complaint filed by the Robertson County Clerk's office stating the Respondent had issued the consumer two bills of sale with differing purchase prices. The Respondent failed to provide a response.

Recommendation: Authorize a civil penalty in the amount of \$1,500 for one count of false, fraudulent, or deceptive acts pursuant to Tenn. Code Ann. § 55-17-114(b)(1)(K) and failure to respond to the Commission's request for a response to the allegations pursuant to Tenn. Comp. R. & Regs. 0960-01-.23. To be settled by consent order or a formal hearing.

Commission Decision: Approved

25. 2017021451
First Licensed: 06/01/1999
Expiration: 05/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent failed to provide a copy of the contract after request by Complainant. Complainant was issued a contract at time of purchase for 60 months with no add-on coverage, but the financing company had a contract for 66 months with added coverage for gap insurance, extended warranty, and maintenance plan. Complainant contacted Respondent about the discrepancy and requested a copy of the contract that showed 66 months. Respondent failed to provide a response to the Commission.

Recommendation: Authorize a civil penalty in the amount of \$1,000 for failure to respond to Commission's request for a response to the allegations pursuant to Tenn. Comp. R. & Regs. 0960-01-.23. To be settled by consent order or formal hearing.

Commission Decision: Approved

26. 2017021211
First Licensed: 05/06/2014
Expiration: 05/31/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complaint filed against the Respondent for failure to disclose prior damage to a vehicle that was purchased by the Complainant. Complainant discovered there was previous damage to the vehicle and it decreased the value of the vehicle. Complainant

requested a refund of \$1,500 from Respondent. Respondent stated that it was not aware of any prior accidents. Respondent settled the matter with Complainant.

Recommendation: Close.

Commission Decision: Approved

27. 2017021191

First Licensed: 07/07/2005

Expiration: 03/31/2018

Type of History: Motor Vehicle Dealer

History (5 yrs.): June 2014 Agreed Citation \$500. Employing unlicensed salesperson. August 2016 Consent Order \$500. Failure to timely/properly obtain title/registration.

Complainant alleged Respondent took advantage of Complainant by listing Complainant as buyer for purchased vehicle when Complainant was intended to be co-signer. Complainant also alleged Respondent unnecessarily made too many inquiries on the Complainant's credit. Respondent stated that Complainant agreed to be the buyer by signing the contract. Respondent stated that Complainant was listed as buyer because it gave the vehicle a better interest rate than if Complainant's young son had been the buyer. Respondent suggests that Complainant is having buyer's remorse and the Complainant has also stated the Complainant cannot afford the insurance payment on the vehicle.

Recommendation: Close.

Commission Decision: Approved

28. 2017021151

First Licensed: 08/02/2016

Expiration: 07/31/2018

Type of History: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent wrongfully repossessed Complainant's vehicle. Respondent provided documentation showing that the contract was purchased by a Joshua Lamar Waller without warranty. Respondent stated that it was given a different address for buyer on the contract and incorrect phone numbers. Respondent stated that, per the company policy, if payment is not made on the vehicle after 3 days and Respondent cannot contact purchaser, the vehicle is repossessed. Complainant alleged that she tried contacting Respondent without answer. Respondent states that Complainant missed her payment due dates by weeks and did not contact Respondent regarding it. The contract included language stating "If a payment is more than 3 days, I will be charged \$5 per day" and "All sales are final. No refunds under any conditions."

Recommendation: Close.

Commission Decision: Approved

29. 2017021131

First Licensed: N/A

Expiration: N/A

Type of History: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint filed against the Respondent for operating as an unlicensed dealer. An inspection and the Respondent did not have a valid dealer's license. The Respondent had vehicles on display in the dealer lot and the business was open. A Notice of Violation was issued for unlicensed activity for operating without a motor vehicle dealer's license, under Tenn. Code Ann. § 55-17-109. The Respondent claimed an application for a dealer's license was pending, however, MVC staff was unable to locate said application. Respondent does have a licensed location in Memphis, TN.

Recommendation: Authorize a civil penalty in the amount of \$5,000 against the Respondent pursuant to Tenn. Code Ann. § 55-17-109 (Activities for which license is required).

Commission Decision: Approved

30. 2017021021

First Licensed: 05/13/2014

Expiration: 02/28/2018

Type of History: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant alleged Respondent sold Complainant a vehicle with several mechanical issues and refused to fix the issues. There is a discrepancy in the paperwork provided by Respondent; included is a signed "12 Months or 12,500 Miles Used Vehicle Limited Warranty" document, but also a signed "As Is – Sold Without Warranty" document, and the Buyers Guide is marked "As Is – No Warranty." Complainant also alleged that the mileage and VIN number on the paperwork does not match the mileage on the Carfax report. The provided contract paperwork shows that the VIN included on the Carfax report matches the VIN on all of the documents from Respondent except on the limited warranty document, which shows a different VIN. The odometer number/mileage on the Carfax report is 87,068, while the odometer number on all documents from Respondent is 85,713. The odometer number on service paperwork from another dealership a week and a half later is consistent with the Carfax report. The Complainant also filed an odometer complaint with the Department of Safety and Homeland Security.

Recommendation: Authorize a civil penalty in the amount of \$1,000 for failure to respond to Commission's request for a response to the allegations pursuant to Tenn. Comp. R. & Regs. 0960-01-.23. To be settled by consent order or formal hearing.

Commission Decision: Approved

31. 2017020931
First Licensed: 12/09/1999
Expiration: 01/31/2018
Type of History: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleged Respondent sold Complainant a vehicle that needed repairs and only refunded half of the down payment. Respondent provided the signed warranty disclaimer document and buyers guide which showed Complainant accepted the vehicle "AS IS," without a dealer warranty. Complainant returned the vehicle to Respondent and agreed to accept half of the down payment back. Respondent believed that Complainant was satisfied with the transaction.

Recommendation: Close.

Commission Decision: Approved

32. 2017020821
First Licensed: 11/18/2010
Expiration: 06/30/2018
Type of History: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant is unable to get a title for a vehicle purchased from Respondent. The Respondent provided a response and stated a corporate entity that paid the funds for the purchase of the vehicle and lien was perfected for the party providing the funds. There was a miscommunication on where to send the title by the Complainant and as such, the Respondent sent the title to the entity paying for the vehicle. The corporate entity is located in another state since the dealership's understanding was that the vehicle would be registered in the other state. The other state, where the payer was located, requires a safety inspection prior to registration and the Complainant was not able to drive back to the other state to get the inspection completed. There was no malicious intent. In fact, the dealership followed up and discovered that everything had been resolved concerning the title.

Recommendation: Close.

Commission Decision: Approved

33. 2017020341
First Licensed: N/A

Expiration: N/A
Type of History: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant stated the Respondent works for a Mississippi auto dealer and sold the Complainant a vehicle at the Complainant's home in Tennessee. Complainant also claims that the vehicle has several mechanical issues and the Respondent misreported the sale to the county clerk. The Complainant sent a follow-up e-mail requesting that we close the complaint because the Respondent and the Complainant have resolved their differences concerning the vehicle.

Recommendation: Close.

Commission Decision: Approved

34. 2017020221
First Licensed: 06/04/2003
Expiration: 01/31/2019
Type of History: Motor Vehicle Dealer
History (5 yrs.): July 2016 – Letter of Warning for false/fraudulent/deceptive acts;
August 2016 – Letter of Warning for false/fraudulent/deceptive acts.

Complainant purchased a used vehicle and stated the Respondent did not properly complete the paperwork and after purchasing the vehicle, the vehicle started to have mechanical problems. The Respondent provided a response and stated the Complainant had a negative equity in the prior vehicle and there was no issue concerning incorrectly completing paperwork. The Complainant had a very high payoff balance of \$17,195 and this left the Complainant with a negative equity of approximately \$10,000. The Respondent stated that Complainant was happy with the purchase of the vehicle until the Complainant started having problems with the air conditioning. These were checked by the Respondent and no problem could be identified. On another visit the Complainant had a problem with the air conditioning and the technician could not identify any problem. After driving over 50,000 miles, the Complainant again returned with the vehicle and stated there was a problem with the air conditioning and this time the technician discovered there was a problem with the air compressor. The Complainants returned again and stated the air conditioning was blowing hot air the following month, and the technician found the control head module was inoperable. The Complainant was provided a loaner vehicle during this entire period of time.

Recommendation: Close.

Commission Decision: Approved

35. 2017019971
First Licensed: 05/27/2011
Expiration: 05/31/2019

Type of History: Motor Vehicle Dealer
History (5 yrs.): N/A

Complaint against the Respondent for a repossession of Complainant's vehicle purchased from the Respondent after the Complainant traded in two vehicles for the one vehicle. The Respondent advised the Complainant that payment had not been received from the creditor and the creditor needed additional employment records. The Complainant did not provide the employment records necessary to obtain the financing.

Recommendation: Close.

Commission Decision: Approved

36. 2017019911
First Licensed: 06/22/2004
Expiration: 06/30/2018
Type of History: Motor Vehicle Dealer
History (5 yrs.): N/A

Complaint against the Respondent for misrepresenting the condition of vehicle purchased from the Respondent because the Respondent stated the engine light was on because it was an O2 sensor. The Complainants purchased the vehicle and later took it to a mechanic who stated that was a timing chain issue. The Complainants stated the Respondent failed to provide the Complainants with a Carfax report. The Respondent failed to provide a response.

Recommendation: Authorize civil penalty in the amount of \$1,000 for failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23 (\$1,000 civil penalty). To be settled by consent order or a formal hearing.

Commission Decision: Approved

37. 2017019471
First Licensed: 10/13/2004
Expiration: 10/31/2018
Type of History: Motor Vehicle Dealer
History (5 yrs.): December 2015 - \$1,000 Agreed Citation for failure to maintain temporary tag log.

Complaint filed against the Respondent concerning the purchase of a vehicle from the Respondent. The Complainant stated the Respondent had the Complainant fill out the paperwork for new tags for a vehicle and stated her husband had negotiated the transaction for the sale and she did not know what document she was signing and thought because the car was in her name it was necessary for her to sign for the vehicle tags. The Complainant and spouse separated and the Complainant later

discovered the vehicle was financed in the Complainant's name and the Complainant was responsible for the payments. The Complainant was attempting to sort out what had happened and how she was legally responsible for the payments and asked the Respondent for the documents concerning the transaction and the Respondent would not provide them. The Respondent provided a response and stated the Complainant had financed and signed all the necessary documents. The Respondent stated the Complainant wanted the vehicle and decided to purchase it in the presence of the spouse and the spouse was not involved in the purchase of the truck and was only physically present.

Recommendation: Close.

Commission Decision: Approved

38. 2017019191

First Licensed: 04/21/2014

Expiration: 03/31/2018

Type of History: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint filed against the Respondent after the Respondent sold a vehicle with several mechanical problems. The Respondent advised the Complainant the vehicle was sold "AS IS." Respondent provided a response and stated the indicator lights for traction control was on and the Complainant was aware of the problem. The Respondent stated the Complainant was told the car was sold "AS IS" and there was no warranty with the vehicle. The Respondent did offer to have his mechanic take a look at the vehicle when the problems started with the vehicle and the Complainant never returned to the dealership.

Recommendation: Close.

Commission Decision: Approved

39. 2017018601

First Licensed: 01/18/2006

Expiration: 01/31/2018

Type of History: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint alleging a salesman has worked there for over 10 years without a motor vehicle salesman's license. The unlicensed salesman works six days a week between eight to ten hours per day. The unlicensed sales man also has a business card indicating he is a motor vehicle salesman. No response was provided by the Respondent.

Recommendation: Authorize a civil penalty in the amount of \$6,000 for unlicensed activity (Tenn. Code Ann. § 55-17-109) and failure to provide a response within 14

days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23 (\$1,000 civil penalty). To be settled by consent order or a formal hearing.

Commission Decision: Approved

40. 2017018191

First Licensed: 09/10/2010

Expiration: 08/31/2018

Type of History: Motor Vehicle Dealer

History (5 yrs.): March 2016 - \$2,000 Consent Order for employing 3 unlicensed salespeople; November 2016 - \$16,000 Consent Order for sales by an unlicensed salesperson.

Complaint filed against the Respondent concerning the voluntary surrender of a vehicle back to the Respondent. The Complainant alleges the Respondent stated that the surrender of the vehicle back to the Respondent would not affect the Complainant's credit rating when the complainant traded-in the vehicle to reduce the payments. However, the Complainant's credit rating was impacted. The Respondent was not the creditor.

Recommendation: Close.

Commission Decision: Approved

41. 2017018171

First Licensed: 03/04/2011

Expiration: 02/28/2019

Type of License: Motor Vehicle Dealer

History (5 yrs.): June 2014 Agreed Citation \$1,000. Failure to properly maintain temporary tag log. December 2016 Consent Order \$500. Failure to provide a conditional delivery agreement.

Complaint filed against the Respondent alleging the Respondent sold the Complaint the wrong vehicle because the Complainant had requested the tech package when the vehicle was purchased. The Complainant stated a reasonable compromise by the Respondent would have been to refund the \$1,900 paid for the tech package that the Complainant did not receive when the Complainant purchased the vehicle. The Respondent provided a response and provided an apology and a refund of the \$1,900 to the Complainant.

Recommendation: Close.

Commission Decision: Approved

42. 2017018131

First Licensed: 06/14/2011

Expiration: 05/31/2019

Type of License: Motor Vehicle Dealer

History (5 yrs.): May 2016 – Letter of Warning for possible odometer fraud.

Complaint filed against the Respondent stating two and half weeks after purchasing a vehicle from the Respondent it began to have mechanical failures. Respondent provided a response and stated the Complainant purchased a used car with over 100,000 miles and declined to purchase an extended warranty. The Respondent advised the Complainant the vehicle was sold “AS IS.” The Complainant and the Respondent have resolved the issue and the Respondent repurchased the vehicle from the Complainant.

Recommendation: Close.

Commission Decision: Approved

43. 2017018101

First Licensed: 10/29/2012

Expiration: 09/30/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): January 2016 – Referral to Outside Agency.

Complaint was filed against the Respondent by the Robertson County Clerk’s Office for failing to collect the sales tax.

Recommendation: Close and refer to Department of Revenue for investigation into potential sales tax violations.

Commission Decision: Approved

44. 2017017801

First Licensed: 02/25/2013

Expiration: 02/28/2018 (Closed 06/05/2017)

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant purchased a vehicle and did not receive vehicle tags. The Complainant received temporary tags every month. The Complaint found the business was closed. The Commission staff sent the surety bond information to the Complainant. Respondent did not provide a response to the complaint.

Recommendation: Close and flag.

Commission Decision: Approved

45. 2017017272

First Licensed: Unlicensed

Expiration: Unlicensed

License Type: Unlicensed
History (5 yrs.): N/A

Complaint filed against the Respondent alleging unlicensed sales of motor vehicles. The complainant alleges the Respondent was purchasing vehicles from the auction and selling the vehicles to individuals. The Respondent failed to provide a response to the Commission.

Recommendation: Authorize a civil penalty in the amount of \$6,000 for unlicensed activity (Tenn. Code Ann. § 55-17-109) and failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23 (\$1,000 civil penalty). To be settled by consent order or a formal hearing

Commission Decision: Approved

46. 2017017271

First Licensed: Unlicensed
Expiration: Unlicensed
License Type: Unlicensed
History (5 yrs.): N/A

Complaint against the Respondent for unlicensed sales of motor vehicles that were purchased from the auction and later sold to individuals. The Respondent failed to provide a response.

Recommendation: Authorize a civil penalty in the amount of \$6,000 for unlicensed activity (TCA § 55-17-109) and failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23 (\$1,000 civil penalty). To be settled by consent order or a formal hearing.

Commission Decision: Approved

47. 2017015771

First Licensed: Unlicensed
Expiration: Unlicensed
License Type: Unlicensed
History (5 yrs.): N/A

Complaint filed against the Respondent for unlicensed activity and failure to pay sales tax for two vehicles. The Respondent purchased 54 vehicles from the auction. The Respondent had attempted to sell vehicles by reassigning the title and was advised by the county clerk that all vehicles need to be registered in his name prior to any sale. Respondent states he purchases inoperable vehicles and repairs them and sells them back to the auction, however, it could only be confirmed that 10 vehicles were resold back to the auction. The Respondent has stated that since he was informed of the retail sale of vehicles, he has repaired vehicles and sold them back to the auction.

Recommendation: Authorize a civil penalty in the amount of \$6,500 for unlicensed activity (Tenn. Code Ann. § 55-17-109), expired business license (\$500 civil penalty), failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23 (\$1,000 civil penalty). To be settled by consent order or a formal hearing.

Commission Decision: Approved

48. 2017014351

First Licensed: 10/08/2014

Expiration: 11/30/2017

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint arises from an annual inspection conducted on March 1, 2017 of the Respondent's motor vehicle dealership. The notice of violation issued to the Respondent for issuing temporary tag on a salvaged vehicle prior to an inspection was conducted by the Department of Revenue.

Recommendation: Authorize a civil penalty in the amount of \$1,000 for false, fraudulent, or deceptive acts and practices pursuant to Tenn. Code Ann § 55-17-114(b)(1)(K) (false fraudulent or deceptive acts).

Commission Decision: Approved

49. 2017013511

First Licensed: 06/27/2014

Expiration: 06/30/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint filed against the Respondent concerning the lease of a vehicle. The Complainant decided to turn in the lease and lease a different vehicle and when the Complainant received the statement from the creditor, it appeared the amounts for the lease vehicle were still being charged although the Complainant had returned the lease vehicle to the Respondent. The Complainant attempted to get the vehicle back from the Respondent, but the Respondent indicated the Respondent was no longer in possession of the vehicle and it had been returned to the creditor. According to the creditor, the Respondent's salesman had driven the vehicle as a demonstration vehicle until December 2015. The creditor claims the Complainant is fully obligated for both vehicles. The Complainant further stated the Respondent took the money for a maintenance plan and when the Complainant went to the dealer to use the maintenance plan, the Complainant was advised that the service had been cancelled. The Complainant insists the Complainant paid for this service and at no time submitted a cancellation for the maintenance agreement.

Recommendation: Authorize a civil penalty in the amount of \$2,000 for false, fraudulent or deceptive acts pursuant to Tenn. Code Ann § 55-17-114(b)(1)(K) and failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23. To be settled by consent order or a formal hearing.

Commission Decision: Approved

50. 2017013441
First Licensed: 12/10/2012
Expiration: 05/31/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complaint filed against the Respondent concerning a vehicle sold by the Respondent to the Complainant. The Complainant purchased a vehicle that began to mechanical problems shortly after the purchase. The Complainant has had to spend several thousand dollars trying to get the vehicle to run properly. The Complainant is seeking a refund for the vehicle. The Respondent did not provide a response. Upon further investigation, the Respondent was in possession of six open titles and could not produce the temporary tag log.

Recommendation: Authorize a civil penalty in the amount of \$6,600 for violation for failure to maintain a temporary tag log (Tenn. Code Ann. 55-17-114(b)(1)(O)), open titles Tenn. Code Ann. 55-17-114(b)(1)(N) (6 X \$100), and failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23. To be settled by consent order or a formal hearing.

Commission Decision: Approved

51. 2017013141
First Licensed: 11/15/1993
Expiration: 11/30/2017
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complaint was filed against the Respondent concerning a vehicle purchased from the Respondent. The Complainant states the Respondent said that there was nothing wrong with the vehicle and the following day, the vehicle broke down. The Complainant asked the Respondent to repair the vehicle and the Respondent refused. The Complainant had to spend approximately \$1,100 to repair the vehicle. The vehicle was sold "AS IS" for \$1,000 and the Complainant was aware there was no warranty for the vehicle. The Respondent did not provide a response to the complaint.

Recommendation: Authorize a civil penalty in the amount of \$1,000 failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle

Commission pursuant to Rule 0960-01-.23 (\$1,000 civil penalty). To be settled by consent order or a formal hearing.

Commission Decision: Approved

52. 2017012991

First Licensed: 07/09/2015

Expiration: 05/31/2017 (Expired Grace)

License Type: Motor Vehicle Dealer

History (5 yrs.): November 2016 – Letter of Warning for failing to timely register vehicle.

Complainant purchased a vehicle from the Respondent and the Respondent failed to disclose that the vehicle had a salvaged title. The vehicle had front end damage. The Complainant discovered that it was a salvaged title and the Complainant states was never told about the rebuilt title and never informed or signed anything concerning of rebuilt title and receipt does not state it was a salvaged vehicle anywhere on the document. Respondent stated that the vehicle was sold “AS IS” with no warranty forms signed and also signed a salvaged history vehicle form.

Recommendation: Close.

Commission Decision: Approved

53. 2017012261

First Licensed: 07/17/2014

Expiration: 07/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint filed against the Respondent concerning a vehicle sold by the Respondent to the Complainant. The Complainant purchased a vehicle because the check engine light came on and the motor is damaged. The vehicle is not drivable as of February 11, 2017. The Respondent provided a response and stated that the vehicle was sold “AS IS” and the Complainant did not elect to purchase the extended service plan for possible mechanical failures. The Respondent did tow the vehicle to the BMW dealer for the Complainant. Since there was a complete failure, the Respondent did authorize the dealer to determine what caused the engine failure and it appears the vehicle indicated that there was a malfunction and the engine was at an elevated engine temperature and to immediately pull over, however, the Complainant drove an additional seven miles after the warning light and as a result the engine sustained damage because the temperature reached 290 degrees.

Recommendation: Close.

Commission Decision: Approved

54. 2017012101

First Licensed: 03/25/2009

Expiration: 05/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): August 2014 Agreed Citation \$500. Failure to maintain city/county business license. June 2016 Agreed Citation \$250. Failure to maintain county business license; April 2017 – Letter of Warning for false/deceptive/misleading advertising.

Complaint filed against the Respondent that the Respondent failed to honor the winning bid on a no reserve auction after the Complainant had paid the deposit. The Respondent told the Complainant that they would not honor the winning bid because someone had cancelled a bid several days prior to the end of the auction. Respondent provided a response and stated that under the Ebay rules, a bidder cannot cancel a bid and the Complainant was notified immediately upon winning the auction about the problem and investigation by Ebay into the situation and the Complainant's credit was not run by Ebay.

Recommendation: Close.

Commission Decision: Approved

55. 2017012011

First Licensed: 09/07/2011

Expiration: 02/28/2019

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

The Complainant purchased a vehicle from the Respondent and still has not received the title. The Respondent will not provide a legitimate answer to the Complainant concerning the title. The Complainant has contacted the manufacturer who has also initiated an investigation into the dealership. The Respondent did not provide a response.

Recommendation: Authorization of a civil penalty in the amount of \$7,000 for failure to timely provide title, failure to provide records Tenn. Code Ann. §55-17-114(d)(2), and failure to respond to Motor Vehicle Commission correspondence in violation of Rule 0960-01-.23. To be settled by Consent Order or Formal Hearing.

Commission Decision: Approved

56. 2017011221

First Licensed: Unlicensed

Expiration: Unlicensed

License Type: Unlicensed

History (5 yrs.): N/A

Complaint filed against the Respondent for failure deliver two vehicles that the Complainant had placed a deposit on to purchase. The Complainant could not produce a contract or receipts for the payments.

Recommendation: Close.

Commission Decision: Approved

**57. 2017011131
First Licensed: 02/25/2013
Expiration: 02/28/2019
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A**

Complaint filed against the Respondent concerning a vehicle sold to the Complainant. The Complainant was involved in an accident and filed a diminished value claim through the Complainant's insurance company. The insurance company advised the Complainant's the vehicle had been involved in two prior accidents. However, the VIN associated with the vehicle is for a different color than the actual color of the vehicle and the Complainants are not getting any assistance from the Respondent in clarifying that the color of the Complainant's vehicle is a different color than that matching the VIN of the vehicle. Respondent did not provide a response. Following an investigation, it was discovered that the prior owner of the vehicle was involved in an accident with a trade-in vehicle and the police report indicated the wrong color of the vehicle associated with the VIN and this was reported to CarFax. The Complainant did receive a CarFax and that indicated the vehicle was involved in an accident. The Complainant denies receiving a CarFax for the vehicle, but the Respondent provided proof that the CarFax was provided to the Complainant.

Recommendation: Close.

Commission Decision: Approved

**58. 2017010791
First Licensed: 02/16/2001
Expiration: 01/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs.): July 2016 - \$5,000 Consent Order for false/fraudulent/deceptive acts.**

Complaint filed against the Respondent for selling a vehicle and accepting the deposit and later rescinding the deal by telling the Complainant the vehicle was sold to another buyer. The Respondent told the Complainant that the Respondent could not return the \$3,000 down payment paid by the Complainant. The Respondent provided a written response and stated the vehicle was out-of-state and told by the third-party seller the vehicle had been sold to another buyer. The Respondent refunded the Complainant the full deposit amount of \$3,000.

Recommendation: Close.

Commission Decision: Approved

59. 2017010461
First Licensed: 10/14/2010
Expiration: 07/31/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): N/A

Complainant alleges that Respondent has failed to diagnose/repair vehicle even though the vehicle was sold with a factory warranty. Additionally, Complainant alleges that Respondent failed to disclose that the vehicle had a salvaged/rebuilt title and because of the rebuilt status, the factory warranty will not cover needed repairs. Legal requested a VIR to confirm that the vehicle did have a branded title and was not able to find that Respondent disclosed the status of the title. The Respondent claims the Complainant was told about the salvaged/rebuilt title for the vehicle and the Complainant signed the form, however, the Respondent was not able to produce the form and it was not in the deal file. The Complainant denies signing any such form concerning disclosure of the salvaged/rebuilt title for the vehicle.

Recommendation: Authorization of a civil penalty in the amount of \$2,000. Violation of salvage vehicle disclosure Tenn. Code Ann. 55-3-212 and failure to provide a response to the Commission within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23. To be settled by consent order or formal hearing.

Commission Decision: Approved

60. 2017010372
First Licensed: Unlicensed
Expiration: Unlicensed
License Type: Unlicensed
History (5 yrs.): N/A

Respondent operates a store front for displaying and selling motor vehicles without a dealer or salesperson license. Notice of Violation was issued for unlicensed activity. There were more than 5 vehicles sold in a 12 month period.

Recommendation: Authorize a civil penalty in the amount of \$5,000 for unlicensed activity (Tenn. Code Ann. § 55-17-109). To be settled by consent order or a formal hearing.

Commission Decision: Approved

61. 2017010371
First Licensed: Unlicensed

Expiration: Unlicensed
License Type: Unlicensed
History (5 yrs.): N/A

Respondent operates a store front for displaying and selling motor vehicles without a dealer or salesperson license. Notice of Violation was issued for unlicensed activity. There were more than 5 vehicles sold in a 12 month period.

Recommendation: Authorize a civil penalty in the amount of \$5,000 for unlicensed activity (Tenn. Code Ann. § 55-17-109). To be settled by consent order or a formal hearing.

Commission Decision: Approved

62. 2017010241
First Licensed: 02/24/2006
Expiration: 02/28/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): May 2017 – Letter of Warning issued for failure to post buyer’s guides.

Complaint filed against the Respondent for failure to pay the pay-off on a trade-in of a vehicle. The Respondent failed to provide a response. Upon further investigation, the Respondent stated that the payoff was sent to the floor planner and it was completed. The Respondent did not provide a response because the Respondent believed the matter had already been resolved. The Complainant stated the matter was resolved.

Recommendation: Close.

Commission Decision: Approved

63. 2017010181
First Licensed: 04/17/2014
Expiration: 03/31/2018
License Type: Motor Vehicle Dealer
History (5 yrs.): November 2014 - \$500 Agreed Citation for 1 open title.

Complaint filed against the Respondent concerning the sale of a vehicle. The Complainant contacted the Respondent concerning a vehicle being offered for sale. The Complainant negotiated a price with the Respondent for the vehicle. When the Complainant told the Respondent the Complainant would be coming to the dealership to purchase the vehicle and the Respondent told the Complainant the offer was no longer valid and would no longer accept the original offer.

Recommendation: Close.

Commission Decision: Approved

64. 2017010021
First Licensed: 05/26/2011
Expiration: 05/31/2019
License Type: Motor Vehicle Dealer
History (5 yrs.):

Complaint against the Respondent concerning the registration of a vehicle purchased from the Respondent. The Complainant registered the vehicle in another state and the Respondent has not facilitated the registration of the vehicle. The Respondent has issued five temporary tags. The Complainant was sent the surety bond information for the Respondent.

Recommendation: Authorization of a civil penalty in the amount of \$2,500 (3 x \$500 for issuing more temporary tags than allowed by law) and failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23. To be settled by consent order or formal hearing.

Commission Decision: Approved

65. 2017009291
First Licensed: Unlicensed
Expiration: Unlicensed
License Type: Unlicensed
History (5 yrs.): N/A

Complaint opened after notified by the Davidson County Clerk's Office that the Respondent claims to be a non-profit organization and is not collecting sales tax and may be operating as an unlicensed dealer. The Respondent has purchased and sold more than five vehicles in a calendar year.

Recommendation: Authorize a civil penalty in the amount of \$5,000 for unlicensed activity (Tenn. Code Ann. § 55-17-109). To be settled by consent order or a formal hearing.

Commission Decision: Approved

66. 2017009011
First Licensed: Unlicensed
Expiration: Unlicensed
License Type: Unlicensed
History (5 yrs.): N/A

Complaint filed against the Respondent for unlicensed activity. Upon further investigation, the Respondent is selling vehicles from the location. There were nine vehicles for sale when this matter was investigated.

Recommendation: Authorize a civil penalty in the amount of \$5,000 for unlicensed activity (Tenn. Code Ann. § 55-17-109). To be settled by consent order or a formal hearing.

Commission Decision: Approved

67. 2017008951

First Licensed: 05/04/2016

Expiration: 03/31/2018

License Type: Motor Vehicle Dealer

History (5 yrs.): N/A

Complainant purchased a vehicle in October 2016 and there was damage on the left side and the Complainant was told that the vehicle had clean title and the title would be mailed to the Complainant. After two months, the Complainant discovered that it was a salvaged title and the Complainant states was never told about salvaged/rebuilt title and the payment receipt does not state it was a salvaged vehicle anywhere on the document.

Recommendation: Authorization of a civil penalty in the amount of \$2,000. Violation for failure to obtain salvage vehicle disclosure Tenn. Code Ann. § 55-3-212 and failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23. To be settled by consent order or formal hearing.

Commission Decision: Approved

68. 2017008091

First Licensed: 09/10/2010

Expiration: 08/31/2018

Type of History: Motor Vehicle Dealer

History (5 yrs.): March 2016 - \$2,000 Consent Order for employing 3 unlicensed salespeople; November 2016 - \$16,000 Consent Order for sales by an unlicensed salesperson.

Complainant alleges Respondent added a \$3,900 warranty onto their purchase agreement even though Complainant specifically requested no add-ons. Additionally, Complainant has provided a Bill of Sale showing no added warranty and a total amount financed that differs from what ultimately appeared on the loan from Nissan Motor Acceptance Corp.

Recommendation: Authorize a civil penalty in the amount of \$2,000 for false, fraudulent or deceptive acts pursuant to Tenn. Code Ann § 55-17-114(b)(1)(K) and failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23. To be settled by consent order or a formal hearing.

Commission Decision: Approved

69. 2017007591 2017007191
 2017007211 2017007271
 2017007291 2017007311
 2017007391 2017007481
 2017007521 2017007691
 2017007751 2017007791

First Licensed: 04/30/2008

Expiration: 03/31/2018

Type of License: Recreational Vehicle Dealer

History (5 yrs.): N/A

Multiple complaints against the Respondent involving various allegations, including failure to return deposit monies, running credit reports without authorization, incorrectly characterizing condition of RV. Upon further investigation, several temporary tags were missing and 12 open titles.

Legal received the following complaints from Consumer Affairs against Respondent Dealer, Complaints span 3 years. Allegations in these complaints generally alleged various levels of deceptive and fraudulent acts. Investigation was conducted to determine the extent of the violations that may have occurred due to acts of Respondent. Investigation found there were nine (9) missing temporary tags and one (1) open title at the Dealership. Respondent was found in possession of ten (10) vehicles titled in the name of a third party, however, no consignment agreement was provided. The Complaints and Investigators findings for each complaint are as follows.

Complaint 1 (2014): Complainant alleges Respondent failed to refund them their \$65 deposit after financing did not go through for purchase. Complainant also alleges Respondent improperly ran their credit score without authorization. Complainant informed Investigator that his money was refunded and considered his personal complaint resolved, however he still feels Respondent engages in deceptive acts and high pressure sales techniques. Respondent states that money was refunded and that Complainant's credit was never run in a manner that would cause a decline in credit score and that running of the credit was authorized because Complainant had requested financing.

Complaint 2 (2014): Complainant alleges Respondent advertised vehicle on Craigslist as being "extremely clean," however, when Complainant arrived at dealership he found the vehicle to be dirty and in need of some maintenance. Respondent allegedly agreed to complete maintenance but needed Complainant to sign sales documents and pay a \$500 deposit (this was listed on the sales documents as cash down). Additionally, the sales contract states that deposits are not refundable. After signing the documents, Complainant discovered an additional \$1,295 charge on the sales documents tied to cleaning/prepping the vehicle. The next day Complainant asked to back out of the deal, Respondent advised he could only do so upon the payment of an additional

\$2,000. Complainant paid the \$2,000 and filed a complaint with consumer affairs. A review of the contract signed by Complainant does show a \$2,500 fee to be charged in the event Complainant refuses to take delivery of the vehicle. Respondent asserts they were only enforcing the contractual rights and that all terms were agreed to by Complainant.

Complaint 3 (2014): Complainant alleges Respondent failed to timely issue them a refund for a cancelled third party warranty. When contacted by State's investigator, Complainant stated his issues had been resolved and that he wished to be removed from the list of upset customers. Respondent stated that Complainant's funds were refunded and that the time it took obtain and issue the refund was standard when there were so many entities to go through.

Complaint 4 (2015): Complainant alleges Respondent sold them a vehicle and charged \$1999 for freight and prep on sales documents, however Complainant feels this fee is exorbitant. Complainant traded in this vehicle a few days later due to a defect they discovered and purchased a second vehicle from Respondent, and again the \$1,999 fee was charged on Complainant's paperwork. Complainant feels they were overcharged and double charged for this fee unnecessarily. Additionally, Complainant asserts that the vehicle was never actually prepped because the battery was dead, the water pump was broken and the gas tank was empty. Complainant also asserts that Respondent did not give them a sufficient amount of credit on their trade in as the amount was \$700 less than what he purchased initial vehicle for. When contacted by State's investigator, Complainant reconfirmed all allegations. Respondent stated that the freight and prep fee covers transport from manufacturer and is standard on all sales. Because Complainant purchased two vehicles, he needed to pay for freight and prep on both. According to Respondent, this fee should cover standard preparation of the vehicle, including filling the gas tank. No evidence found to actually confirm the state of the vehicle at the time of pickup by Complainant.

Complaint 5 (2015): Complainant alleges Respondent failed to timely refund their canceled third party warranty, failed to timely register their new vehicle with third party warranty company, failed to replace a damaged table in the unit, failed to include a vacuum in the unit, and were generally deceptive and lied to her throughout the sale and post-sale process. When complainant was contacted by the State's investigator, they informed the investigator that all issues had been resolved and they requested to be removed from the list of upset customers. Respondent stated that money for warranty had been refunded and the initial hold up was because the money was first sent to the financing company. Respondent states the vacuum was provided shortly after the complaint was filed. Respondent also asserts that Complainant was given an additional \$100 to compensate her for her bad experience.

Complaint 6 (2015): Complainant alleges Respondent sold them a vehicle with a defective paint job and when Complainant took the vehicle back to be repaired, Respondent held the vehicle for eight (8) months. The delay in getting their vehicle back prompted Complainant to file a complaint with consumer affairs. When contacted by State's investigator, Complainant stated their complaint had been

resolved to their satisfaction. When contact by State's investigator, Respondent stated the delay in repairing the vehicle was due to the Manufacturer. Ultimately the Manufacturer settled the dispute with the Complainant by allowing them to purchase another vehicle with sufficient incentives to satisfy Complainant.

Complaint 7 (2015): Complainant alleges Respondent took a \$500 deposit from them, but when financing fell through, Respondent refused to refund the deposit. Additionally, Respondent threatened to charge them \$9,000 if they backed out of the transaction. Complainant ultimately did back out of the transaction because he could not obtain financing to his liking. In response to threats of charging Complainant \$9,000, Complainant filed a complaint with Consumer Affairs alleging deceptive trade practices. A review of the contract signed by Complainant does show a \$9,000 fee to be charged in the event Complainant refuses to take delivery of the vehicle. Additionally, the sales contract states that deposits are not refundable. When contacted by State's investigator, Complainant asserted that their issues had been resolved. Respondent states that Complainant was never threatened, that the \$500 deposit was refunded to resolve dispute, and that all issues stemmed from Complainant's unwillingness to work with lenders.

Complaint 8 (2016): Complainant alleges Respondent put incorrect date on their sales documents causing them to be charged 10 additional days of interest totaling \$111 dollars. Complainant states they are concerned this is a fraudulent practice by dealer. When contacted by State's investigator, Complainant initially stated they would cooperate with investigation, however, ultimately Complainant did not submit any statement or evidence of when the transaction actually occurred. Respondent asserts to investigator that the date listed on sales documents is the date the sale was agreed to, that all dates on the sales documents are correct and that no additional improper amounts were charged. There are some documents in the deal file that list a date 10 days later, appears that this might be the day Complainant actually took possession of the vehicle but investigator was not able to get statements from Complainant to confirm. No evidence found that Respondent did anything intentionally false, fraudulent or deceptive.

Complaint 9 (2016): Complainant alleges a different franchise dealer affiliated with Respondent, and bearing the same name as Respondent, but located in South Carolina, had failed to refund their 3rd party warranty in a timely manner. Complainant received information indicating that the refund had inadvertently been sent to Respondent but that Respondent failed to return their phone calls. When Complainant was contacted by State's investigator, Complainant asserted the situation had been resolved and that she no longer wished to engage in the complaint process. Respondent asserts they never sold a vehicle to or had any contact with Complainant but that Corporate's records show the funds in question were ultimately issued to Complainant.

Complaint 10 (2016): Complainant purchased this vehicle at a vehicle show in Pennsylvania and it was supposed to be delivered from a dealership in South Carolina affiliated with Respondent and bearing the same name as Respondent. There were

extreme delays in having the vehicle delivered to Complainant and Complainant filed a complaint with Tennessee's Consumer Affairs. It is not clear why Complainant chose to file the complaint with Tennessee, investigator found no connection between Tennessee and this transaction. Respondent asserts this vehicle was never sold by them and at no time was it ever located at their location.

Complaint 11 (2016): Complainant alleges Respondent failed to refund them the \$500 deposit when Complainant decided to back out of the sale of a vehicle transported in from affiliate dealer in South Carolina. Complainant asserts Respondent deceived them by not telling them that the document they were signing were official sales documents. State's investigator was unable to make contact with Complainant in order to obtain statements or evidence. Respondent asserts that they are simply enforcing the sales contract entered into by Complainant and Respondent is likely going to file a law suit against Complainant's for breach of contract. A review of the deal file provided by Respondent shows Complainant signed many documents all of which indicate that Complainant was agreeing to purchase the vehicle in question. The sales contract included the \$500 as a cash down payment. Additionally, the sales contract states that deposits are not refundable.

Complaint 12 (2017): Complainant alleges that Respondent failed to refund them the \$500 deposit they paid when Complainant decided to back out of the purchase of a vehicle due to financing concerns. Complainant filed this complaint with Consumer Affairs subsequent to running into difficulties in getting Respondent to refund the deposit. When contacted by State's investigator, Complainant stated they filed a dispute with their credit card and received the \$500 back from their credit card company however they do not believe Respondent had to refund the money to credit card company. Respondent states they were prepared to issue the \$500 refund when they were notified that Complainant was disputing the charge on her credit card, so Respondent then canceled the refund. A review of the deal file shows that Complainant did sign a sale document with language indicating that deposit would be used to cover damages resulting from buyer backing out of the purchase.

Recommendation:

Complaint 1: Close

Complaint 2: Close

Complaint 3: Close

Complaint 4: Close with letter of warning for deceptive act of not properly prepping the vehicle despite charging a prep fee. Authorization a civil penalty in the amount of \$6,400 (10 x \$500 for failure to use proper consignment agreement form, 1 x \$500 for open title and 9 x \$100 for missing temporary tags). To be settled by consent order or formal hearing.

Complaint 5: Close

Complaint 6: Close

Complaint 7: Close

Complaint 8: Close

Complaint 9: Close

Complaint 10: Close

Complaint 11: Close

Complaint 12: Close

Commission Decision: Approved

70. 2017031051
First Licensed: 06/24/2016
Expiration: 05/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complaint filed against the Respondent concerning a used vehicle. Complainant purchased a used vehicle and started having problems with the vehicle the first week after Complainant purchased the car. After three weeks, the vehicle stopped working because of a bad transmission and the dealer would not get back to the complainant.

The Respondent provided a response and stated the Complainant was in an accident the day the Complainant purchased the vehicle and the Complainant took the vehicle to his own mechanic before the purchase to have it checked out and there was no problem. After the accident, the Complainant began to experience mechanical trouble with the vehicle. Also, the Respondent stated the Complainant received a check from the insurance company for the accident and did not have any repairs performed on the vehicle.

Recommendation: Close.

Commission Decision: Approved

71. 2017031201
First Licensed: 02/12/2014
Expiration: 01/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A

Complaint against the Respondent on the purchase of a used vehicle in April 2017. The Complainant was told the vehicle only needed a timing change adjustment. The Complainant purchased the vehicle and on the way home the vehicle broke down and had to be towed. The mechanic stated that the entire engine was bad and the car was tampered with so it could be driven off the lot, but could not be driven very far. The Complainant had to spend \$3,100 to repair the engine. The Respondent failed to disclose to the Complainant that the vehicle was used as a rental vehicle.

The Respondent provided a response and stated that the Complainant test drove the vehicle for a few hours and took the vehicle to his own mechanic prior to the purchase of the vehicle. Also, the vehicle was sold “AS IS” and there was a clean title. The documents clearly disclosed the vehicle was sold “AS IS” and there was no warranty for the vehicle.

Recommendation: Close.

Commission Decision: Approved

72. 2017031551

First Licensed: 05/11/2007

Expiration: 12/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): May 2014 Warning issued for Advertising Violation; October 2014 Letter of Warning for Advertising Violation. September 2016 \$1,000 Consent Order for Advertising Violation (Bait & Switch Tactics); May 2017 \$2,000 Consent Order for Deceptive Advertising.

Complaint against the Respondent for failure to provide the vehicle registration to the Complainant and issuing of six temporary tags. The Respondent will not return the Complainant’s phone calls and has still not sent the registration to the Complainant. The surety bond information has been sent to the Complaint and the Complainant has made a claim against the surety bond of the Respondent.

The Respondent has not provided a response to the complaint.

Recommendation: Authorization of a civil penalty in the amount of \$3,000 (4 x \$500 for issuing more temporary tags than allowed by law) and failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23 (1,000 civil penalty). To be settled by consent order or formal hearing.

Commission Decision: Approved

73. 2017031651

First Licensed: 09/01/1991

Expiration: 03/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): May 2013 Letter of Warning

Complaint against the Respondent for selling a 2014 Camaro in July 2014 that had a defective vehicle because it continuously powers down. In October 2015, the car suddenly lost all power. in October 2015, December 2016 and on April 8, 2017 and had to be towed back to the dealership. Each time the Respondent replaced the HVAC module. In April 2017, the Respondent kept the vehicle for one month and returned it without solving the problem. The Complainant is concerned that in July 2017 the vehicle will be out of warranty and the Complainant will be stuck with a defective vehicle. The Complainant would like to make a claim under the “Lemon Law.” The Complainant can pursue the “lemon law” claim with the manufacturer. It appears the Respondent has taken all reasonable steps to resolve the issue concerning the vehicle power problem.

The Respondent provided a response to the complaint and stated they repaired the car each time it was towed back to the dealership and provided a loaner vehicle to the Complainant. The Respondent tried to duplicate the problem with the vehicle each and every time it was brought back to the dealership for the power problem and the Respondent was unable to duplicate the problem. All the codes were checked and the vehicle would start each time the dealer tried to duplicate the problem. Respondent stated it has made several attempts to resolve the “power down” problem.

Recommendation: Close.

Commission Decision: Approved

**74. 2017031841
First Licensed: 01/07/2015
Expiration: 12/31/2018
Type of License: Motor Vehicle Dealer
History (5 yrs.): N/A**

Complaint filed against the Respondent for selling a used vehicle in August 2016. The Complainant did a post-sale vehicle inspection and the vehicle passed. Later, a problem arose with the vehicle when it started making a loud noise. The Complainant contacted the auction manager and the auction manager never returned the telephone call. Ultimately, the Complainant had to make the necessary repairs to the vehicle which included replacing the wheel bearings, front differential, and transmission. The Complainant sold the vehicle back to the auction at a loss.

The Respondent did not provide a response to the complaint.

Recommendation: Authorize a civil penalty in the amount of \$1,000 for failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23.

Commission Decision: Approved

75. 2017032261

First Licensed: 12/20/2006

Expiration: 12/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): April 2012 \$500 Consent Order for Deceptive Advertising; March 2017 Letter of Warning for Advertising Violation.

Complaint filed against the Respondent concerning the purchase of a truck and the dealership's advertisement for a discount of \$4,000. The Complainant provided a down payment and a trade-in and wanted to use the discount flyer for a \$4,000 additional discount on the vehicle. The Respondent failed to provide the Complainant with a bill of sale. Also, the Complainant alleges the Respondent altered the price of the truck to avoid counting the Complainant's trade-in vehicle value and to sell the truck at a higher price. The Respondent may have purposefully increased the price of the truck that the Complainant was purchasing to avoid providing the reduced price. This is a possible bait and switch situation.

The Respondent failed to provide a response to the complaint.

Recommendation: Letter of warning for advertising violations, deceptive advertising and \$1,000 civil penalty for failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23. To be settled by consent order or formal hearing.

Commission Decision: Approved

76. 2017032471

First Licensed: 07/27/2016

Expiration: 07/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Complaint filed by adjoining car lot owner concerning the licensing requirements of the Respondent. The complainant alleges the Respondent keeps approximately 75 vehicles in the back of the automobile dealership and these vehicles are all damaged and completely immobile. In fact, the airbags are deployed on many of the vehicles, not operational and there is broken glass all over the lot. The dealership's required hours of operation are not being met and dealership is rarely open.

The Respondent did not provide a response to the complaint.

Recommendation: Authorize a civil penalty in the amount of \$2,000 for and failure to properly maintain dealership business hours and failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23. To be settled by consent order or formal hearing.

Commission Decision: Approved

77. 2017033111

First Licensed: 12/23/2015

Expiration: 12/31/2017 (Suspended)

Type of License: Motor Vehicle Dealer

History (5 yrs.): April 2017 \$4,500 Consent Order for Expired City/County Business License, Failure to Produce Business Records, Misuse of Dealer Plates, Failure to Maintain a Temporary Tag Log, and Possession of 2 Open Titles.

Complaint arises from an annual inspection conducted of the Respondent's motor vehicle dealership. The notice of violation issued to the Respondent stating the Respondent has open titles at the dealership and has failed to disclose the salvage vehicle history. The Respondent primarily deals in salvaged vehicles. There are no documents in any of the deal files disclosing the salvage condition of the vehicle in writing to the purchaser. The Respondent was unable to produce a tag log and only photocopies of tags were kept at the dealership.

The Respondent did not provide a response to the complaint.

Recommendation: Authorize a civil penalty in the amount of \$7,000 for the following violations: failure to provide a response within 14 days of receiving the complaint from the Motor Vehicle Commission pursuant to Rule 0960-01-.23, failure to provide salvage vehicle disclosure pursuant to Tenn. Code Ann. 55-3-212, and failure to maintain temporary tag log in violation of Tenn. Code Ann. 55-17-114(b)(1)(O). To be settled by consent order or formal hearing.

Commission Decision: Approved

78. 2017033371

First Licensed: 06/11/2010

Expiration: 05/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): January 2013 \$4,000 Consent Order for Failure to Properly Maintain a Temporary Tag Log and Missing Temporary Tags; September 2014 \$500 Possession of an Open Title

Complaint filed by a licensed motor vehicle salesman stating company is involved in bank and lender fraud and refused to participate in the fraud. The company has indicated that he would be fired if he did not participate.

The Respondent did not provide a response to the complaint.

Recommendation: Authorization of a civil penalty for failure to respond to Motor Vehicle Commission correspondence in violation of Rule 0960-01-.23. To be settled by Consent Order or Formal Hearing.

Commission Decision: Approved

79. 2017033871

First Licensed: Unlicensed

Expiration: Unlicensed

Type of License: N/A

History (5 yrs.): N/A

Complaint filed by county clerk's office that the Respondent is engaged in unlicensed activity and curb stoning. The Respondent has been registering vehicles with the county clerk's office. There is evidence of seven transactions being done on one motor vehicle license plate.

The Respondent did not provide a response to the complaint.

Recommendation: Authorization of a civil penalty in the amount of \$7,000 for both unlicensed activity and failure to respond to Motor Vehicle Commission correspondence in violation of Rule 0960-01-.23. To be settled by consent order or formal hearing.

Commission Decision: Approved

REPRESENTS

MATT

1. 2016052951

First Licensed: 06/24/2016 (Closed 05/03/2017)

Expiration: 05/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Commission originally authorized suspension of Respondent's Motor Vehicle Dealer License due to Respondent's refusal to comply with Investigator's request for documents. Respondent dealer is confirmed close, license status in core is "Closed."

Recommendation: Close and Flag

Commission Decision: Approved

2. 2016057151

First Licensed: 09/16/2009 (Expired)

Expiration: 08/31/2015

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Commission originally authorized a civil penalty in the amount of \$500 for failure to timely title/register a vehicle. Respondent dealer's license is expired and grace period for renewal has passed.

Recommendation: Close and Flag

Commission Decision: Approved

3. 2016009201

First Licensed: 02/14/2003 (Expired)

Expiration: 01/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Commission originally authorized a civil penalty in the amount of \$1,500 for expired city/county business license and failure to respond to Commission. Respondent dealer's license is expired and grace period for renewal has passed.

Recommendation: Close and Flag

Commission Decision: Approved

4. 2016006625

First Licensed: Unlicensed

Expiration: Unlicensed

Type of License: N/A

History (5 yrs.): N/A

Commission originally authorized a civil penalty in the amount of \$2,500 for operating as an unlicensed salesperson and selling five vehicles. Respondent passed away on April 1, 2016 as confirmed by his obituary.

Recommendation: Close and Flag

Commission Decision: Approved

5. 2016034751

First Licensed: 02/28/2013

Expiration: 02/28/2019

Type of License: Motor Vehicle Dealer

History (5 yrs.): August 2016 - \$250 Consent Order for Failure to Maintain a County Business License; March 2017 - \$250 Consent order for Failure to Provide Proper Conditional Delivery Agreement Form.

Commission originally authorized a civil penalty in the amount of \$1,000 for failure to maintain garage liability insurance. Upon receipt of the consent order, Respondent provided legal with proof that there had never been a lapse in insurance coverage.

Recommendation: Close

Commission Decision: Approved

6. 2016027591

First Licensed: 10/02/2013

Expiration: 08/31/2017 (Closed 10/03/2016)

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Commission originally authorized a civil penalty in the amount of \$500 for failure to maintain a city and/or county business license. Respondent/Dealer has been confirmed closed and the license status in CORE is “Closed.”

Recommendation: Close and Flag

Commission Decision: Approved

7. 2016025091

First Licensed: 11/26/2014

Expiration: 11/30/2016 (Closed 09/23/2016)

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Commission originally authorized a civil penalty in the amount of \$1,000 for possession of two (2) open titles. Respondent/Dealer’s license expired on 11/30/2016, but staff received notification that the dealership closed on 09/23/2016 and Respondent had no intentions of reopening. Respondent’s license status in CORE is “Closed.”

Recommendation: Close and Flag

Commission Decision: Approved

8. 2016015611

First Licensed: 09/01/1991

Expiration: 02/28/2017 (Expired)

Type of License: Motor Vehicle Dealer

History (5 yrs.): April 2016 - \$500 Agreed Citation for Possession of 1 Open Title.

Commission originally authorized a civil penalty in the amount of \$1,500 for possession of one (1) open title and failure to respond to the Commission. Upon further investigation, it was determined by legal that Respondent received one (1) Notice of Violation for possession of one (1) open title, but two (2) complaints were opened and

two (2) Agreed Citations were sent to Respondent. Respondent paid one (1) of the Agreed Citation and that matter was closed prior to being forwarded to legal.

Recommendation: Close

Commission Decision: Approved

9. 2016049951

First Licensed: 09/01/1991

Expiration: 08/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Respondent originally penalized \$1,000 for failure to post business hours and for attempting to sell one vehicle from a location other than its dealership location. Respondent states that business hours were posted on a small piece of cardboard but promises to do a better job in the future of more clearly posting them. Respondent states he was lax in posting due to recent death of his wife. Respondent has been licensed for over 25 years and this is first opened complaint.

Recommendation: Close with a letter of warning for off-site sales.

Commission Decision: Approved

10. 2014018541

First Licensed: 07/01/1991

Expiration: 06/30/2019

Type of License: Motor Vehicle Manufacturer/Distributor

History (5 yrs.): N/A

Complaint was open after a protest was filed against Respondent. On June 14, 2017, an Agreed Order of Dismissal without Prejudice was entered in this matter.

Recommendation: Close

Commission Decision: Approved

11. 2016040351

First Licensed: 11/03/2015

Expiration: 11/30/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

The Commission originally authorized a \$1,000 civil penalty for failure to maintain liability insurance. Upon receiving a consent order, Respondent provided legal with proof that it was never without insurance.

Recommendation: Close

Commission Decision: Approved

SARA

1. 2015017841

First Licensed: 09/19/2013

Expiration: 08/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

2015017842

First Licensed: 12/16/2016

Expiration: 12/31/2018

Type of License: Motor Vehicle Salesperson

History (5 yrs.): N/A

Respondent 1 is a dealer. Respondent1 allowed Respondent 2 to use Respondent 1's license to purchase a vehicle at auction and conduct one sale. As a result, the Commission authorized the voluntary revocation of Respondent 1's dealership license, and a \$500 penalty against Respondent 2. Since that approval, Respondent 1 has gone out of business, and the license has lapsed and is no longer valid. Additionally, in similar matters, letters of warnings have been issued against salespersons with the focus shifting to the dealership.

Recommendation: As to Respondent 1, close and flag. For Respondent 2, close upon an issuance of a letter of warning.

Commission Decision: Approved

2. 2016074341

First Licensed: 08/04/2016

Expiration: 07/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Respondent was originally assessed a \$32,500 civil penalty for sixty-five unlicensed sales. The Respondent was licensed, but it had one salesperson that never completed his application for a license despite Respondent submitting the application along with its initial dealer license application. Additionally, Respondent, believing its salesperson was licensed, allowed another individual to sell vehicles under that salesperson for

three while he prepared and submitted his salesperson license application. Overall, the two sold sixty-five vehicles between September and December 2016.

Since the Consent Order was issued, Respondent removed the unlicensed salesperson from the sales team, and ensured his employees are all licensed. Additionally, Respondent's legal counsel worked with the Department's legal counsel to craft a compliance plan for future salesperson licenses. This policy includes preventing work until licensure is granted as well as checks and balances to ensure renewals are completed. Violation of the policy subjects employees to possible termination. The compliance plan was formally adopted into Respondent's employee handbook on May 19, 2017. As a result, legal recommends a lower civil penalty.

Recommendation: Authorize the reduction of Respondent's civil penalty from \$32,500 (\$500 x 65) to \$6,500 (\$100 x 65) to be settled by consent order or a formal hearing.

Commission Decision: Approved

3. 2016068253

First Licensed: 05/30/2006

Expiration: 01/31/2017 (Terminated)

Type of License: Motor Vehicle Salesperson

History (5 yrs.): N/A

Respondent was discovered as part of another unrelated complaint. Respondent was the father of the subject of that investigation. Respondent, when speaking to an investigator about his son's business, disclosed that Respondent had created a website to sell two of his vehicles and his wife's motorcycle since he was afraid of spam and scams on Craigslist. When legal reviewed the website, legal realized Respondent used a model website that may lead a consumer to believe Respondent was a dealership. Upon receiving the consent order for \$500, Respondent contacted legal and informed legal Respondent had removed his information from the website and sold the domain. Respondent expressed he did not realize the website could be misleading. Legal confirmed the website, while still active, is listed as a domain name for sale, and shows no vehicles for sale.

Recommendation: Close.

Commission Decision: Approved

4. 2016072511

First Licensed: 05/21/2015

Expiration: 05/31/2019

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Respondent was assessed a \$500 (\$250 x 2) for having expired county and city business licenses. Respondent contacted legal as a result of the consent order to emphasize that its accountant had mistakenly informed them that the taxes paid to the State encompassed those licenses, apparently confusing the business licenses with its dealer

license. Additionally Respondent remedied the lapse the same day the inspection occurred, and immediately submitted proof. Respondent requests leniency due to the misunderstanding and quick remedy.

Recommendation: Authorize the reduction of the civil penalty from \$500 to \$250 in light of the misunderstanding and immediate compliance, to be settled by consent order or a formal hearing.

Commission Decision: Approved

5. 20150214961

First Licensed: 08/17/2011

Expiration: 07/31/2017

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Respondent had a \$5,000 civil penalty assessed for unlicensed activity. Respondent, at the time, was the sole owner and sole employee of a LLC dealership. Respondent held a salesperson license, but at the time of inspection, it had expired. Respondent believed that since he was the owner of the company and sole employee, he could sell vehicles under the dealership license. After the inspection and learning that Respondent would need an active salesperson license since the dealership is a LLC, Respondent applied for and received a salesperson license. Respondent participated in the investigation, and quickly came in to compliance. Respondent now has additional salespersons and they are all properly licensed. Respondent has no disciplinary history.

Recommendation: Authorize this matter be closed upon an issuance of a letter of warning.

Commission Decision: Approved

6. 2016009661

First Licensed: 09/01/1991

Expiration: 04/30/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

Respondent was assessed a \$1,000 civil penalty for issuing three temporary tags, and failing to get a title to a consumer until four months after the purchase. A review of an investigation reveals that Respondent contacted the Complainant in the second month to express there were issues with the title, and it would likely take a few months to correct those issues. Respondent offered to buy back the vehicle in full; however, Complainant refused and stated she would wait. Respondent did get the title issues resolved, and Complainant now has title. Complainant refused to participate in the investigation.

Recommendation: Authorize the civil penalty be reduced to \$500 for issuing a third temporary tag, to be settled by consent order or a formal hearing.

Commission Decision: Approved

7. 2015006651

First Licensed: Unlicensed

Expiration: Unlicensed

Type of License: N/A

History (5 yrs.): N/A

2015006652

First Licensed: 03/21/1994

Expiration: 03/31/2018

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

This complaint arose due to a consumer complaining about a sale that ultimately was conducted by an unlicensed individual. That individual was associated with Respondent 2's dealership. Based on that, this Commission authorized the voluntary revocation of Respondent 2's dealership license. Respondent 2 was one of five Respondents involved in the matter. Through the litigation process, it was discovered that two of Respondent 2's licensed salespersons, two of the other listed Respondents, were allowing two unlicensed individuals (family members) to conduct sales, and then completing the paperwork at Respondent 2's dealership as if the licensed salespersons had conducted the sales. When the complaint was filed, and Respondent 2 became aware sales were being conducted off-site with unlicensed individuals, Respondent 2 fired the licensed salespersons. Additionally, the licensed salespersons signed a Consent Order admitting to their role, and agreed to the revocation of their license. One of the unlicensed individuals signed a Consent Order for a \$2,500 civil penalty. Respondent 2 has agreed that Respondent 2 should have more closely monitored his salespersons to prevent the misuse of Respondent 2's dealership's name and associated salesperson licenses. Respondent 2 has agreed to pay a \$2,500 civil penalty to account for that lack of supervision, and executed a Consent Order to memorialize the violations.

Respondent 1 is the other unlicensed salesperson identified as conducting one sale, the sale that resulted in the complaint. Respondent 1 has an outstanding Consent Order for a payment of a \$5,000 civil penalty; however, legal counsel has not been able to locate Respondent 1.

Recommendation: As to Respondent 1, close and flag. As to Respondent 2, authorize the reduction of the penalty from revocation to a \$2,500 civil penalty for two counts of failure to supervise (\$1,250 x 2 for the licensed individuals).

Commission Decision: Approved

8. 2016066981

2016067031

First Licensed: 08/29/2013

Expiration: 12/31/2016 (Closed)

Type of License: Motor Vehicle Dealer

History (5 yrs.): N/A

This matter was set into litigation monitoring pending criminal charges filed against the owner of Respondent dealership. The original charges were for odometer tampering, and a complaint came in alleging the same. Additionally, another complaint came in alleging a vehicle was unsafely and improperly repaired before being sold to the Complainant.

Complaint #1: The Complainant and his mother allege Respondent committed odometer fraud. Complainant and his mother purchased a truck from Respondent for \$23,500.00. The odometer reflected the mileage as 65,242. The advertisement for the truck reflected the same 65,242 mileage. Complainant states Respondent even looked up the truck's value at the low mileage as being \$28,000, to emphasis the deal Complainant was receiving on the truck. Halfway through completing the purchase paperwork, Complainant alleges Respondent produced a title listing the mileage on the truck as \$249,496. Complainant states Respondent said the title had a typo, in that the "2" should not be there. Complainant states that Respondent said that is why Complainant had to sign an odometer disclosure sheet, to account for the typo on the title.

A few months after the purchase, Complainant discovered through a car fax that the actual mileage of the vehicle was approximately 249,000 miles with service records supporting the higher mileage. Complainants contacted Respondent who stated he had informed the Complainant the mileage was unknown through the odometer disclosure form, but offered to buy the vehicle back for \$16,000. An investigation was conducted. The paperwork Respondent submitted to Complainant's financing center listed the mileage as 65,826 as did the "As-Is" warranty documentation. Complainant's mother states that Respondent stated to her that he did not think the dealer he purchased the truck from would roll back the miles. However, in a letter in response to the complaint, Respondent states the odometer was not operable, so he replaced the dash cluster. Respondent claims he explained that to the Complainant, and Respondent indicates he had Complainant sign a bill of sale which states "Not Actual Mileage," and the odometer disclosure form which indicates a discrepancy regarding the mileage.

The Tennessee Highway Patrol also investigated this matter. As a result of their investigation. The THP's investigation has resulted in a hearing before the Grand Jury for possible criminal charges. The hearing is scheduled for today, January 23, 2017. The THP is willing to share additional information after the conclusion of the Grand Jury hearing.

Complaint #2: In this complaint, Complainant alleges Respondent used temporary bonding materials to cover up frame damage and a major leak. Two days after Complainant purchased the vehicle, Complainant noticed major leaking and took the

vehicle to her mechanic. The mechanic explained the frame was bent and the truck is not safe to drive. Complainant alleges multiple other consumers have made similar allegations via Facebook. Respondent claims Complainant must have wrecked the truck, and denies any knowledge of the mechanical error. Due to an ongoing criminal investigation into Respondent, investigation from this Department was light in an effort to not interfere.

Resolution of Criminal Matter: Respondent entered an Alford plea for a charge that was reduced from misrepresenting mileage on a used motor vehicle odometer (Tenn. Code Ann. § 39-14-132) to deceptive business practices (Tenn. Code Ann. § 39-14-12). The victims/Complainants agreed to the reduction in exchange for receiving a full refund on the vehicle. The resulting charge was a Class B Misdemeanor, and Respondent is to six-months of supervised probation.

Recommendation: Discussion.

Commission Decision: Authorization for the voluntary revocation of Respondent's dealer license, to be settled by consent order or formal hearing.

9. 2013013411
First Licensed: Unlicensed
Expiration: Unlicensed
Type of License: N/A
History (5 yrs.): N/A

This was a matter that was previously settled via Agreed Order for the payment of a \$2,500 civil penalty through a payment plan. Respondent diligently paid on time, and legal and staff recalls the last payment being sent. Legal talked with Respondent's counsel and agreed the matter was satisfied. Later, legal was informed one of the payments was not recorded. Despite diligent searching, a final payment of \$200 could not be located despite multiple parties recalling the full penalty being paid.

As a result, legal requests that the Board authorize the closure of this matter.

Recommendation: Close.

Commission Decision: Approved

This concluded the legal report. Chairman Roberts called for a motion to adopt the legal report. Commissioner Jackson made a motion to adopt the legal report with changes requested during the legal review meeting, seconded by Commissioner Melton.

VOICE VOTE – UNANIMOUS

Motion carried, therefore, the legal report was approved.

Chairman Roberts asked if the legal staff had a legislative report.

Staff Attorney Elizabeth Goldstein conveyed to the Commission that staff sent out a “Notify” to all licensees who were signed up for “Notify” of specific legislation which may impact their license.

RULE COMMITTEE DISCUSSION

Executive Director updated the Commission regarding two rules, (Felony Applicants and Record Keeping) which moved through Joint Gov-Ops, which the Committee and Commission had previously authorized. Staff Attorney, Elizabeth Goldstein, also indicated that the 66/33% Rule Amendment had moved to the Governor’s Office where it was being reviewed for Constitutionality.

AUDIT & FINANCE COMMITTEE DISCUSSION

Chairman of the Audit & Finance Committee, Commissioner Joe Clayton, updated the Commission on the Audit and Finance Committee discussion.

Chairman Roberts made a motion to the amendment to provide the report by the October 23, 2017 meeting.

Chairman Roberts called for a motion to approve the Audit & Finance Committee Report. A motion to approve was made by Commissioner Vaughan and seconded by Commissioner Jackson. Chairman Roberts called for a voice vote.

VOICE VOTE – UNANIMOUS

Motion carried.

A motion was made by Commissioner Jackson and seconded by Commissioner Lee to approve the minutes from the Audit Committee Meeting.

VOICE VOTE - UNANIMOUS

Motion carried.

NEW BUSINESS

2018 Commission Meeting dates were presented to the Commission for their consideration. Calendar Dates are:

2018 Calendar Dates

Tennessee Motor Vehicle Commission

QUARTERLY MEETING

January 22-23, 2018

April 23-24, 2018

July 16-17, 2018

October 15-16, 2018

COMMITTEE DATES

February 7, 2018

May 9, 2018

August 8, 2018

November 7, 2018

SPECIAL DATES (ALJ W/COMMISSION)

February 8, 2018

March 14, 2018

May 10, 2018

June 13, 2018

August 9, 2018

November 8, 2018

Chairman called for a motion to approve the 2018 Calendar dates. A motion to approve was made by Commissioner Clayton and seconded by Commissioner Jackson.

VOICE VOTE - UNANIMOUS

Motion carried.

Executive Director, Paula J. Shaw, presented the Appeal Questionnaire Form, and explained to the Commission the necessity of the form was to streamline the appeals process so applicants and appellants would understand the process and what to expect. Staff Attorney, Elizabeth Goldstein, conveyed to the Commission that legal feels the form was very valuable to speed up the process of appeals as they field calls and inquiries from appellants with questions of what to expect during the appeals process.

Chairman Roberts called for a motion to approve the form. Commissioner Vaughan made a motion to approve the form, seconded by Commissioner Norton.

VOICE VOTE - UNANIMOUS

Motion carried.

OLD BUSINESS

Executive Director Paula J. Shaw, re-presented to the Commission previously authorized inspection forms for use in the field by Department Inspectors. She indicated there were changes being made to the form, such as changes in rules during the previous period of time. Director Shaw requested the Commission approve the revised form so it could be implemented.

Commissioner Vaughan made a motion to approve the revised forms, seconded by Commissioner Lee.

VOICE VOTE - UNANIMOUS

Motion carried.

ADJOURN

Chairman Roberts called for a motion to adjourn.

Commissioner Jackson made a motion to adjourn the meeting, seconded by Commissioner Vaughan.

VOICE VOTE - UNANIMOUS

Motion carried.

Meeting Adjourned

Eddie Roberts, Chairman
